

LEGISLATIVE
BUDGET
COMMISSION

Rob Bradley, Chair

Jose Oliva, Vice-Chair

MEETING PACKET
Thursday, July 19, 2018
10:00 a.m.
412 Knott Building

**(Please bring this packet to the committee meeting.
Duplicate materials will not be available.)**



LEGISLATIVE BUDGET COMMISSION AGENDA

Thursday, July 19, 2018
10:00 a.m.
412 Knott Building



Members

Senator Rob Bradley
Senator Lizbeth Benacquisto
Senator Oscar Braynon
Senator Anitere Flores
Senator Bill Galvano
Senator Bobby Powell
Senator Wilton Simpson

Representative Jose Oliva
Representative Jason Brodeur
Representative Janet Cruz
Representative Manny Diaz
Representative Bill Hager
Representative Clay Ingram
Representative Jared Moskowitz

| | Page # |
|--|-----------|
| I. Consideration of the following budget amendments: | |
| A. Department of Education EOG #B2019-0038 EOG #B2019-0039 | 1 |
| B. Office of Early Learning EOG #B2019-0034 | 5 |
| C. Department of Children and Families EOG #B2019-0035 EOG #B2019-0046 | 7 |
| D. Department of Health EOG #B2019-0033 EOG #B2019-0036 | 12 |
| E. Agency for Health Care Administration EOG #B2019-0029 EOG #B2019-0047 | 18 |
| F. Department of State EOG #B2019-0040 | 22 |
| G. Department of Transportation EOG #W2019-0021 | 25 |
| H. Division of Emergency Management EOG #B2019-0041 | 30 |
| II. Other Business | |

Department of Education

EOG Number: B2019-0038

Problem Statement:

The Division of Vocational Rehabilitation within the Department of Education was provided a new recurring revenue source beginning in Fiscal Year 2017-18. Chapter 2017-75, Laws of Florida, redirected revenue from the Florida Endowment Foundation (Able Trust) to the Grants and Donations Trust Fund for the division for the purpose of improving employment and training opportunities for persons who have disabilities. However, the division did not receive budget authority during the 2017 legislative session to provide these services. During the 2018 Regular Session, section 93 of the General Appropriations Act (GAA) appropriated \$1.5 million but lacked similar budget authority for Fiscal Year 2018-19. Without budget authority, the division will be unable to spend collected revenue on required services after June 30, 2018.

Agency Request:

The Department of Education requests to increase budget authority by \$1.5 million from the Grants and Donations Trust Fund within the Division of Vocational Rehabilitation budget entity's Contracted Services appropriation category for Fiscal Year 2018-19. This action will allow the division to use the funds from its new revenue source to provide services required by law. The amount requested is based on the actual receipts stated in the Able Trust 's 2017 Annual Financial Report. The department plans to address the recurring need of \$1.5 million in the Fiscal Year 2019-20 Legislative Budget Request.

Governor's Recommendation:

Recommend approval of budget amendment B0038 providing the Division of Vocational Rehabilitation (division) an additional \$1.5 million in recurring budget authority needed to utilize the new revenue sources established for the division in Chapter 2017-75, Laws of Florida. The division will use the additional budget authority to improve employment and training opportunities for persons who have disabilities mandated in Chapter 2017-75, Laws of Florida.

Senate Committee: Appropriations Subcommittee on Higher Education

Senate Analyst: Tim Elwell

House Committee: Higher Education Appropriations Subcommittee

House Analyst: Frances Butler

| Line Item No. | Budget Entity / Fund / Appropriation Category Title LASPBS Account Number | CF | REQUESTED BY AGENCY | RECOMMENDED BY GOVERNOR | APPROVED BY THE LEGISLATIVE BUDGET COMMISSION |
|------------------|---|----|---------------------|-------------------------|---|
| | | | Appropriation | Appropriation | Appropriation |
| EDUCATION | Education <u>Vocational Rehabilitation</u> | | | | |
| N/A | Special Categories Contracted Services From Grants And Donations Trust Fund | | 1,500,000 | 1,500,000 | |

Department of Education

EOG Number: B2019-0039

Problem Statement:

The Federal Workforce Innovation and Opportunity Act (WIOA) includes a new requirement for state Vocational Rehabilitation agencies regarding students with disabilities. Specifically, WIOA requires 15 percent of a state's federal allotment be expended for specific Pre-Employment Transition Services for students with disabilities ages 14-21. These funds are part of the federal Title I dollars that were traditionally available to provide vocational rehabilitation services for any eligible individual with a disability to obtain and/or maintain employment. This change means that states will have fewer federal Title I dollars to spend on youth with disabilities, adults with disabilities, and students ages 14-21 who need additional services beyond Pre-Employment Transition Services. The Division of Vocational Rehabilitation has sufficient federal dollars available to meet the requirements of the 15 percent Pre-Employment Transition Services set-aside and to continue serving the current level of youth and adults with disabilities who need more individualized and intensive services. However, the division does not have sufficient budget authority to execute these services without invoking a waiting list for individuals needing services.

Agency Request:

The Department of Education requests to increase budget authority by \$18.2 million from the Federal Rehabilitation Trust Fund within the Division of Vocational Rehabilitation budget entity's Purchased Client Services appropriation category for Fiscal Year 2018-19. This action will allow the division to meet the federal requirement for 15 percent Pre-Employment Transition Services spending while maintaining the current level of services to youth and adults with disabilities.

Governor's Recommendation:

Recommend approval to provide the Division of Vocational Rehabilitation additional budget authority of \$18.2 million to meet the federal requirement of the 15 percent Pre-Employment Transition Services spending requirement while maintaining the current level of services to youth and adults with disabilities across the state.

Senate Committee: Appropriations Subcommittee on Higher Education

Senate Analyst: Tim Elwell

House Committee: Higher Education Appropriations Subcommittee

House Analyst: Frances Butler

| Line Item No. | Budget Entity / Fund / Appropriation Category Title LASPBS Account Number | CF | REQUESTED BY AGENCY | RECOMMENDED BY GOVERNOR | APPROVED BY THE LEGISLATIVE BUDGET COMMISSION |
|---------------|---|----|---------------------|-------------------------|---|
| | | | Appropriation | Appropriation | Appropriation |
| 36 | EDUCATION Education <u>Vocational Rehabilitation</u> | | | | |
| | Special Categories Purchased Client Services From Federal Rehabilitation Trust Fund | | 18,200,000 | 18,200,000 | |

Office of Early Learning

EOG Number: B2019-0034

Problem Statement:

The Florida School Readiness Program offers financial assistance to eligible low-income families for early education and care so they can become financially self-sufficient and their young children can be successful in school in the future. Services vary based on individual needs and range from extended day care to after-school and school-age care in some instances. The Child Care and Development Block Grant (CCDBG) Trust Fund is the primary funding source for the state's School Readiness Program; for Fiscal Year 2018-2019 a total of \$389,209,466 is appropriated from the CCDBG for the program. As of June 2018, the state is serving 195,728 school readiness children with nearly 29,000 children on a wait list. The average annual cost per school readiness child is \$6,000. In May 2018, the Office of Early Learning (OEL) received a Notice of Award stating Florida's CCDBG allocation was increased by approximately \$135 million in discretionary funds. This is a recurring funding increase to the School Readiness Program. At this time, the OEL is requesting an additional \$60 million in budget authority to use these funds to provide services to approximately 10,000 children who are on waiting lists for the School Readiness Program.

Agency Request:

The Office of Early Learning (OEL) is requesting to increase budget authority by \$60 million from the Child Care and Development Block Grant Trust Fund in the School Readiness Services appropriation category to serve approximately 10,000 additional children on waiting lists for the School Readiness Program.

Governor's Recommendation:

Recommend approval to provide the Office of Early Learning additional federal budget authority of \$60 million for the School Readiness Program.

Senate Committee: Appropriations Subcommittee on Pre-K - 12
Education
Senate Analyst: Tim Elwell

House Committee: PreK-12 Appropriations Subcommittee
House Analyst: Jennifer Seifert

| Line Item No. | Budget Entity / Fund / Appropriation Category Title LASPBS Account Number | CF | REQUESTED BY AGENCY | RECOMMENDED BY GOVERNOR | APPROVED BY THE LEGISLATIVE BUDGET COMMISSION |
|---------------|---|----|---------------------|-------------------------|---|
| | | | Appropriation | Appropriation | Appropriation |
| 85 | EDUCATION Early Learning <u>Program: Early Learning Services</u> | | | | |
| | Special Categories Grants And Aids - School Readiness Services From Child Care And Development Block Grant Trust Fund | | 60,000,000 | 60,000,000 | |

Department of Children and Families

EOG Number: B2019-0035

Problem Statement:

The Department of Children and Families has received a nonrecurring increase in federal block grant funds for community mental health services. The block grant for Federal Fiscal Year 2018 will increase from \$36,710,162 to \$47,760,158. Additional budget authority in the Alcohol, Drug Abuse and Mental Health Trust Fund is needed to allow for the expenditure of a portion of these additional grant funds during Fiscal Year 2018-19. The additional block grant funding is to be used for treatment and recovery support services for children and adults with serious mental disorders. Pursuant to the federal requirements for these funds, a minimum of ten percent must be used for Coordinated Specialty Care programs for youth and young adults with early onset psychiatric disorders.

The additional budget authority will be used to provide for expenditures totaling \$5,524,998, as follows:

1. Mental Health Treatment and Recovery Support Services (\$4,318,171). These funds will be allocated to the Managing Entities to contract for enhanced community-based mental health services identified in their annual plans. Services include case management, crisis support, in-home or outpatient treatment, short-term residential treatment, psychiatric telehealth, recovery support, care coordination, and supportive housing services.
2. Addition of two Community Services Teams (\$1,126,827), one in Hillsborough County and one in Orange County. These teams will focus on youth/young adults who experience a first episodic psychosis. A team consists of 6.5 full-time equivalent positions, including a team director, psychiatrist, supported employment/education specialist, individual resiliency training clinicians, peer specialist, and care manager, and can serve up to 75 individuals concurrently. Existing funded teams operate in Broward, Bay, Clay-Putnam, Miami-Dade, and Palm Beach counties.
3. DCF Headquarters Contracted Services Training and Consultation (\$80,000).

Agency Request:

The Department requests an increase in nonrecurring budget authority of \$5,524,998 from the Alcohol, Drug Abuse and Mental Health Trust Fund in the Contracted Services-Substance Abuse and Mental Health Administration and in the Contracted Services appropriation categories in the Community Substance Abuse and Mental Health Services budget entity to provide for the additional allocation of federal funds from the Community Mental Health Services block grant.

Governor's Recommendation:

Recommend approval to provide the Department of Children and Families with \$5,524,998 of nonrecurring budget authority in the Alcohol, Drug Abuse and Mental Health Trust Fund, various appropriation categories, and the Community Substance Abuse and Mental Health Services budget entity to support the additional increase in the Community Mental Health Block Grant.

Senate Committee: Appropriations Subcommittee on Health and Human Services
Senate Analyst: Diane Sneed

House Committee: Health Care Appropriations Subcommittee
House Analyst: William Fontaine

| Line Item No. | Budget Entity / Fund / Appropriation Category Title LASPBS Account Number | CF | REQUESTED BY AGENCY | RECOMMENDED BY GOVERNOR | APPROVED BY THE LEGISLATIVE BUDGET COMMISSION |
|------------------------------|---|----|---------------------|-------------------------|---|
| | | | Appropriation | Appropriation | Appropriation |
| CHILDREN AND FAMILIES | | | | | |
| | Program: Community Services <u>Community Substance Abuse And Mental Health Services</u> | | | | |
| 367 | Special Categories Grants And Aids - Community Mental Health Services From Alcohol, Drug Abuse And Mental Health Trust Fund | | 5,444,998 | 5,444,998 | |
| 371 | Special Categories Contracted Services From Alcohol, Drug Abuse And Mental Health Trust Fund | | 80,000 | 80,000 | |

Department of Children and Families

EOG Number: B2019-0046

Problem Statement:

The State Office on Homelessness was created to provide interagency, council, and other related coordination on issues relating to homelessness and contracts with 27 local Homeless Continuums of Care (CoC) to provide necessary services to the local community. The Office on Homelessness is responsible for coordinating resources and programs across all levels of government and with private providers that serve the homeless. It also manages the targeted state grants to support the implementation of local homeless service continuum of care plans. Partnering with each CoC gives local control of projects that are tailored to the needs of each community. The Continuum of Care model creates a framework for a comprehensive array of emergency, transitional, and permanent housing and supportive services to address the varying needs of the persons who are homeless or at risk of becoming homeless. These are community-based plans and are reflective of unique conditions in each local area. The purpose of the CoC framework is to help communities envision, plan, and implement coordinated, long-term solutions to address homelessness.

A Continuum of Care model includes the following components:

1. Outreach, intake, and assessment to link housing and services to the needs of those who are homeless.
2. Services and resources to prevent housed persons from becoming homeless or returning to homelessness.
3. Emergency sheltering as a safe alternative to living on the streets.
4. Transitional housing to move persons toward permanent housing solutions.
5. Permanent housing to end episodes of homelessness.
6. Supportive services designed to assist the person with necessary skills to secure and retain permanent housing.

Agency Request:

The department requests to transfer budget authority totaling \$3,181,500 from the General Revenue Fund from the Grants & Aids - Contracted Professional Services category in the Mental Health Services budget entity to the Grants and Aids - Challenge Grants category in the Economic Self-Sufficiency Services budget entity to provide nonrecurring funds to support local homeless Continuum of Care lead agencies. Additional nonrecurring funds exist within the Contracted Professional Services appropriation category in the Mental Health Services budget entity due to the South Florida State Hospital Certificate of Participation obligation ending June 30, 2018.

Governor's Recommendation:

Recommend the transfer of budget authority of \$3,181,500 from the General Revenue Fund and Grants and Aids - Contracted Professional Services appropriation category in the Mental Health Services budget entity to the Grants and Aids - Challenge Grants appropriation category in the Economic Self Sufficiency budget to support local homeless Continuum of Care lead agencies in their efforts to reduce homelessness throughout Florida.

Senate Committee: Appropriations Subcommittee on Health and

House Committee: Health Care Appropriations Subcommittee

| | |
|--|--|
| Human Services Senate Analyst: Diane Sneed | House Analyst: William Fontaine |
|--|--|

| Line Item No. | Budget Entity / Fund / Appropriation Category Title LASPBS Account Number | CF | REQUESTED BY AGENCY | RECOMMENDED BY GOVERNOR | APPROVED BY THE LEGISLATIVE BUDGET COMMISSION |
|------------------------------|--|----|---------------------|-------------------------|---|
| | | | Appropriation | Appropriation | Appropriation |
| CHILDREN AND FAMILIES | | | | | |
| 334 | Program: Mental Health Program <u>Mental Health Services</u> Special Categories Grants And Aids - Contracted Professional Services From General Revenue Fund | | (3,181,500) | (3,181,500) | |
| 345 | Program: Economic Self Sufficiency Program <u>Economic Self Sufficiency Services</u> Special Categories Grants And Aids - Challenge Grants From General Revenue Fund | | 3,181,500 | 3,181,500 | |

Department of Health

EOG Number: B2019-0033

Problem Statement:

The Office of Medical Marijuana Use within the Department of Health does not have sufficient budget authority to continue implementation of Article X, Section 29, Fla. Constitution, and section 381.986, Florida Statutes (F.S.). Additional budget authority is needed for patient and caregiver identification card review and production, call center support, Medical Marijuana Treatment Centers (MMTC) license application review, seed-to-sale tracking system, litigation, and Medical Marijuana Use registry upgrades and maintenance.

Under section 381.986, F.S., the department is required to issue Medical Marijuana Use Registry identification cards for the qualified patients and caregivers who are residents of this state, which must be renewed annually. Additionally, section 381.986(7)(d), F.S., requires the department to contract with a third-party vendor for the issuance of identification cards. The department currently contracts with Veritec Solutions for the provision of the registry identification cards for medical marijuana users or caregivers, the processing of the applications, and operation of a call center for answering questions related to Medical Marijuana use. The Fiscal Year 2018-2019 contractual obligation is \$1,669,945.

The department is responsible for the licensure of MMTCs in Florida. There are currently 13 MMTCs licensed by the department. Pursuant to section 381.986(8)(a)4., F.S., the department will license four additional MMTCs since the medical marijuana use registry has exceeded 100,000 active qualified patients. The department currently contracts with KPMG to conduct the review and scoring of the applications. The department estimates receiving up to 400 applications at a cost of \$18,354 to review each application for a total request of \$7,341,600.

The department is required to maintain a computer software tracking system that traces marijuana from seed-to-sale and allows real-time, 24-hour access to data from all MMTCs and marijuana testing laboratories. The department has yet to procure a vendor to establish the seed-to-sale tracking system; however, based on a survey of five states with similar tracking systems the average cost to implement these systems was \$3,413,203.

The implementation of Article X, Section 29, Fla. Constitution, and section 381.986, F.S., continues to be frequently litigated. The department is predicting the amount of litigation to continue to increase to \$1,500,000 in Fiscal Year 2018-2019 based on current lawsuits and the potential for lawsuits on the program's proposed rules.

The Office of Medical Marijuana Use is responsible for the Medical Marijuana Use Patient Registry. The registry is the only legal means by which Florida physicians can order medical cannabis products for qualified patients. Qualified physicians access the registry, register patients and enter orders, and dispensers update those orders as they are filled. Since December 2017, the number of patients in the registry has increased from 58,998 to 132,256 as of July 2018. Currently, the department contracts with FivePoints Technology to host and maintain the registry. For Fiscal Year 2018-2019, the department estimates the cost for the registry is \$304,867.

For Fiscal Year 2018-2019, the estimated cost to continue the operations of the Office of Medical Marijuana Use is \$14,229,615. The budget authority for Fiscal Year 2018-2019 is \$935,400, leaving a deficit of \$13,294,215. Of the \$13,294,215, the department requests that \$5,610,212 of budget authority be released for immediate use and \$7,684,003 be placed in reserve until the department provides supporting documentation to demonstrate the need for additional release of funds.

| | Released Amount | Reserved Amount | Total |
|--|------------------------|------------------------|---------------------|
| Patient Identification Card Production and Call Center | \$1,669,945 | \$0 | \$1,669,945 |
| MMTC Application Review | \$3,670,800 | \$3,670,800 | \$7,341,600 |
| Seed-to-Sale Tracking System | \$0 | \$3,413,203 | \$3,413,203 |
| Litigation | \$900,000 | \$600,000 | \$1,500,000 |
| Registry Upgrades and Maintenance | <u>\$304,867</u> | <u>\$0</u> | <u>\$304,867</u> |
| Subtotal | \$6,545,612 | \$7,684,003 | \$14,229,615 |
| Less Fiscal Year 2018-2019 Appropriation | <u>\$935,400</u> | <u>\$0</u> | <u>\$935,400</u> |
| Total Department Request | \$5,610,212 | \$7,684,003 | \$13,294,215 |

Agency Request:

The Department of Health requests an increase in budget authority of \$13,294,215 from the Grants and Donations Trust Fund in the Contracted Services appropriation category within the Disease Control and Health Protection budget entity. The department requests that \$5,610,212 of budget authority be released for immediate use and \$7,684,003 be placed in reserve.

Governor's Recommendation:

Recommend the additional budget authority of \$13,294,215 from the Grants and Donations Trust Fund in the Contracted Services appropriation category within the Disease Control and Health Protection budget entity. Recommend that \$5,610,212 of the budget authority be released for immediate use and \$7,684,003 be placed in reserve. The additional budget authority will allow the Office of Medical Marijuana Use to fulfill the statutory requirements of the program.

Senate Committee: Appropriations Subcommittee on Health and Human Services
Senate Analyst: David Loe

House Committee: Health Care Appropriations Subcommittee
House Analyst: Bryan Mielke

| Line Item No. | Budget Entity / Fund / Appropriation Category Title LASPBS Account Number | CF | REQUESTED BY AGENCY | | RECOMMENDED BY GOVERNOR | | APPROVED BY THE LEGISLATIVE BUDGET COMMISSION | |
|---------------|---|----|---------------------|-----------|-------------------------|-----------|---|---------|
| | | | Appropriation | Reserve | Appropriation | Reserve | Appropriation | Reserve |
| 474 | HEALTH Program: Community Public Health <u>Disease Control And Health Protection</u> | | | | | | | |
| | Special Categories Contracted Services From Grants And Donations Trust Fund | | 5,610,212 | | 5,610,212 | | | |
| | From Grants And Donations Trust Fund | | 7,684,003 | 7,684,003 | 7,684,003 | 7,684,003 | | |

Department of Health

EOG Number: B2019-0036

Problem Statement:

The Department of Corrections (DOC) entered into an agreement with the Department of Health (DOH) in 2008 as a pilot project with two county health departments for the treatment of inmates with sexually transmitted diseases (STDs) including HIV/AIDS. This interagency agreement, now implemented in five County Health Departments in Alachua, Jackson, Miami-Dade, Jefferson, and Volusia counties, allows the DOH to evaluate and dispense STD and HIV/AIDS medications to the DOC inmates at a lower cost since the DOH is recognized as an eligible entity through the federal Public Health Services 340B Drug Program. The DOH purchases prescribed drugs on behalf of the DOC, and is reimbursed with cash transfers from the DOC.

The DOC clients are examined by DOH physicians based in the County Health Departments that are located in the vicinity of regional correctional institutions. Participation in this program provides two additional benefits: patients are aligned with the County Health Department prior to end of sentence, which ensures a continuity of care after their release, and patients are provided an improved quality of care by STD and HIV/AIDS specialists from the County Health Department. The Bureau of Public Health Pharmacy, Division of Emergency Preparedness and Community Support within the DOH performs the procurement, management, and dispensing of these client-specific prescriptions. The cost of these prescribed drugs for Fiscal Year 2016-2017 was \$22,993,500.

For Fiscal Year 2018-2019, costs are expected to increase due to the DOC increasing client participation at the current participating facilities. The DOC will also start serving approximately 120 inmates at three additional facilities: Florida State Prison, Santa Rosa Correctional Institution, and Polk County Correctional Institution at a cost of approximately \$17,000 per inmate per year. Additionally, the cost of prescribed drugs has increased. The Fiscal Year 2018-2019 estimated cost of prescribed drugs purchased through the 340B Drug Program by the DOH on behalf of the DOC is \$26,057,652. Adding three DOC facilities will increase prescribed drug costs by \$2,040,000. For Fiscal Year 2018-2019, it is estimated the total cost of prescribed drugs to be purchased through the 340B Drug Program by the DOH for the DOC is \$28,097,652. The budget authority for Fiscal Year 2018-2019 is \$19,036,504, which results in a deficit of \$9,061,148.

Agency Request:

The Department of Health requests an increase of \$9,061,148 from the Grants and Donations Trust Fund in the Drugs, Vaccines and Other Biologicals appropriation category within the Statewide Public Health Support Services budget entity to continue the purchases of prescribed drugs by the Department of Health for the Department of Corrections. If this amendment is not approved, the Department of Health will be unable to pay these prescribed drug costs on behalf of the Department of Corrections.

Governor's Recommendation:

Recommend an increase of \$9,061,148 from the Grants and Donations Trust Fund in the Drugs, Vaccines and Other Biologicals appropriation category within the Statewide Public Health Support Services budget entity. The additional budget authority will allow the Department of Health to continue providing treatment to inmates at Florida correctional facilities.

Senate Committee: Appropriations Subcommittee on Health and Human Services
Senate Analyst: David Loe

House Committee: Health Care Appropriations Subcommittee
House Analyst: Bryan Mielke

| Line Item No. | Budget Entity / Fund / Appropriation Category Title LASPBS Account Number | CF | REQUESTED BY AGENCY | RECOMMENDED BY GOVERNOR | APPROVED BY THE LEGISLATIVE BUDGET COMMISSION |
|---------------|---|----|---------------------|-------------------------|---|
| | | | Appropriation | Appropriation | Appropriation |
| HEALTH | Program: Community Public Health <u>Statewide Public Health Support Services</u> | | | | |
| 508 | Special Categories Drugs, Vaccines And Other Biologicals From Grants And Donations Trust Fund | | 9,061,148 | 9,061,148 | |

Agency for Health Care Administration

EOG Number: B2019-0029

Problem Statement:

Section 11 of chapter 2017-71, Laws of Florida, directed the Agency for Health Care Administration (Agency) to make Medicaid payments on a cost basis to qualifying Florida cancer hospitals that meet the criteria in 42 U.S.C. s. 1395ww(d)(1)(B)(v) and are members of the Alliance of Dedicated Cancer Centers. The payments required the availability of intergovernmental transfer (IGT) funds to support the state share of these payments. The federal Centers for Medicare and Medicaid Services (CMS) approved the State Plan Amendment (SPA) related to this effort on March 8, 2018, with an effective date of October 26, 2017.

The two hospitals that are qualified to receive these supplemental payments are H. Lee Moffitt Cancer Center and the University of Miami Hospital and Clinics (dba Sylvester Comprehensive Cancer Center). The hospitals will be reimbursed for services rendered to Medicaid recipients who are not enrolled in a managed care plan and who are not dually eligible Medicare and Medicaid recipients for fiscal year 2017-2018. The Agency has entered into Letters of Agreement with eligible entities for the transfer of the funds to support the state share of these payments.

The Agency does not have sufficient budget authority in the Hospital Inpatient Services and the Hospital Outpatient Services categories to support these supplemental payments to qualifying Florida cancer hospitals.

Agency Request:

The Agency requests to increase budget authority by \$12,582,194 to support the supplemental payments to the qualifying Florida cancer hospitals from the Medicaid Services to Individuals budget entity. Of this amount, the agency requests to increase budget authority by \$2,691,702 from the Grants and Donations Trust Fund and \$4,352,794 from the Medical Care Trust Fund in the Hospital Inpatient Services appropriation category. Similarly, the agency requests to increase budget authority by \$2,115,954 from the Grants and Donations Trust Fund and \$3,421,744 from the Medical Care Trust Fund in the Hospital Outpatient Services appropriation category.

Governor's Recommendation:

Recommend additional budget authority of \$12,582,194 (\$4,807,656 in the Grants and Donations Trust Fund and \$7,774,538 in the Medical Care Trust Fund) in the Hospital Inpatient Services and Hospital Outpatient Services appropriation categories in the Medicaid Services to Individuals budget entity to pay eligible providers based on the Medicaid State Plan Amendment for the Florida Cancer Hospital Program.

Senate Committee: Appropriations Subcommittee on Health and Human Services

Senate Analyst: Tonya Kidd

House Committee: Health Care Appropriations Subcommittee

House Analyst: D. Brian Clark

| Line Item No. | Budget Entity / Fund / Appropriation Category Title LASPBS Account Number | CF | REQUESTED BY AGENCY | RECOMMENDED BY GOVERNOR | APPROVED BY THE LEGISLATIVE BUDGET COMMISSION |
|--|--|----|------------------------|-------------------------|---|
| | | | Appropriation | Appropriation | Appropriation |
| AGENCY FOR HEALTH CARE ADMINISTRATION | | | | | |
| | Program: Health Care Services <u>Medicaid Services To Individuals</u> | | | | |
| 199 | Special Categories Hospital Inpatient Services From Grants And Donations Trust Fund From Medical Care Trust Fund | | 2,691,702 4,352,794 | 2,691,702 4,352,794 | |
| 203 | Special Categories Hospital Outpatient Services From Grants And Donations Trust Fund From Medical Care Trust Fund | | 2,115,954 3,421,744 | 2,115,954 3,421,744 | |

Agency for Health Care Administration

EOG Number: B2019-0047

Problem Statement:

For Fiscal Year 2018-2019, the Agency for Health Care Administration (Agency) is appropriated \$3,470,437 in Specific Appropriation 199 (Hospital Inpatient Services) of chapter 2018-9, Laws of Florida, for a Neonatal Intensive Care Unit (NICU) and Pediatric Intensive Care Unit (PICU) rate increase. This funding is inadvertently appropriated in the Hospital Inpatient Services category, but should be appropriated in the Physician and Health Care Practitioner Services and Prepaid Health Plans categories. Currently, the Agency is unable to pay the increased rates for the NICU/PICU services without a realignment of funds to the correct appropriation categories.

Agency Request:

The Agency requests to realign \$3,470,437 of budget authority into the proper appropriation categories for the NICU/PICU rate increase. The realignment includes the transfers of \$1,350,000 from the General Revenue Fund and \$2,120,437 from the Medical Care Trust Fund within the Hospital Inpatient Services category to the Physician and Health Care Practitioner Services category and Prepaid Health Plans category to reflect the accurate appropriation for the NICU/PICU rate increase.

Governor's Recommendation:

Recommend a budget realignment in the amount of \$3,470,437 (\$1,350,000 in the General Revenue Fund and \$2,120,437 in the Medical Care Trust Fund) in the Medicaid Services to Individuals budget entity for the Hospital Inpatient Services, Physician and Health Care Practitioner Services, and Prepaid Health Plans appropriation categories. The recommended realignment will reflect the accurate appropriation categories for the funding that was specifically appropriated for a Neonatal Intensive Care Unit and Pediatric Intensive Care Unit rate increase.

Senate Committee: Appropriations Subcommittee on Health and Human Services

Senate Analyst: Tonya Kidd

House Committee: Health Care Appropriations Subcommittee

House Analyst: D. Brian Clark

| Line Item No. | Budget Entity / Fund / Appropriation Category Title LASPBS Account Number | CF | REQUESTED BY AGENCY | RECOMMENDED BY GOVERNOR | APPROVED BY THE LEGISLATIVE BUDGET COMMISSION |
|--|--|----|---------------------|-------------------------|---|
| | | | Appropriation | Appropriation | Appropriation |
| AGENCY FOR HEALTH CARE ADMINISTRATION | | | | | |
| | Program: Health Care Services <u>Medicaid Services To Individuals</u> | | | | |
| 199 | Special Categories Hospital Inpatient Services | | | | |
| | From General Revenue Fund | | (1,350,000) | (1,350,000) | |
| | From Medical Care Trust Fund | | (2,120,437) | (2,120,437) | |
| 206 | Special Categories Physician And Health Care Practitioner Services | | | | |
| | From General Revenue Fund | | 158,190 | 158,190 | |
| | From Medical Care Trust Fund | | 248,469 | 248,469 | |
| 207 | Special Categories Prepaid Health Plans | | | | |
| | From General Revenue Fund | | 1,191,810 | 1,191,810 | |
| | From Medical Care Trust Fund | | 1,871,968 | 1,871,968 | |

Department of State

EOG Number: B2019-0040

Problem Statement:

The Department of State (department) lacks the budget authority necessary to disburse \$19,187,003 of federal funding recently awarded to the state to enhance the security and administration of elections. The federal Consolidated Appropriations Act of 2018 includes \$380 million in Election Security Grants, which were made available to states to improve the administration of elections for federal office, enhance technology, and make election security improvements. On April 17, 2018, the department received a notice of award from the U.S. Election Assistance Commission (EAC) that Florida was awarded \$19,187,003 in federal funds authorized under Title 1, Section 101 of the Help America Vote Act (HAVA) of 2002. The award requires the state to provide a matching contribution of \$959,350 (5 percent of the federal funds) within a two-year period. The department intends to include a request in its legislative budget request for the state match in Fiscal Year 2019-2020.

The department submitted the formal funding request on May 30, 2018, to the EAC to apply for the state's Election Security Grant. The EAC approved Florida's application, and on June 6, 2018, the federal funds were received by the state and deposited into the department's Federal Grants Trust Fund. The department will make these funds available to county supervisors of elections prior to Florida's 2018 election to further enhance the security and administration of elections. In order to satisfy the requirements of the grant, county supervisors of elections will receive funds only after providing the department with a detailed description of the programs that will be implemented. The department posted on its grant applications portal an application for such grants on June 20, 2018. Each county must submit its application for funding by July 18. The department will review and approve grant applications as they are submitted, which will allow the department to quickly disburse funds to counties. Each county will receive a baseline distribution of \$50,000, and additional funds will be distributed proportional to the voting age population as of the 2010 census. In total, supervisors of elections are eligible to receive \$15,450,000 in Election Security Grants. Prior to the distribution of funds to any county, the county must provide documentation to the department that demonstrates the county's ability to expend the funds prior to the November 2018 general election. Funds which cannot be utilized prior to the election will be available for future appropriation.

A final report summarizing and documenting the use of all funds will be due to the department no later than November 30, 2018. The department proposes to use \$1,750,000 of the federal funds to enhance security for the Florida Voter Registration System, hire five cyber security specialists, and conduct voter education/outreach and to use \$1,987,003 of the federal funds to expand and enhance the accessible voting options for voters with disabilities.

Agency Request:

After the end of the 2018 Regular Session, the Department of State (department) received a 2018 Help America Vote Act (HAVA) Election Security Grant totaling \$19,187,003. The department proposes to: make \$15,450,000 available to county supervisors of elections prior to the state's 2018 election to further enhance the security and administration of elections; allocate \$1,750,000 to enhance security for the Florida

Voter Registration System, hire five cyber security specialists, and conduct voter education/outreach; and allocate \$1,987,003 to expand and enhance the accessible voting options for voters who are blind, deaf-blind, or who have a visual impairment.

The department requests to increase budget authority by \$19,187,003 from the Federal Grants Trust Fund within the Elections budget entity as follows: \$15,450,000 in the Grants and Aids-Election Security Grants appropriation category; \$1,750,000 in the Contracted Services appropriation category; and \$1,987,003 in the Assistance for Individuals with Disabilities appropriation category. Funds which cannot be utilized prior to the election will be available for future appropriation.

Governor's Recommendation:

Recommend providing additional budget authority in the amount of \$19.2 million from the Federal Grants Trust Fund for the Election Security Grant received from the U.S. Election Assistance Commission.

Senate Committee: Appropriations Subcommittee on Transportation, Tourism, and Economic Development

Senate Analyst: Elizabeth Wells

House Committee: Transportation & Tourism Appropriations Subcommittee

House Analyst: Philip Cobb

| Line Item No. | Budget Entity / Fund / Appropriation Category Title LASPBS Account Number | CF | REQUESTED BY AGENCY | RECOMMENDED BY GOVERNOR | APPROVED BY THE LEGISLATIVE BUDGET COMMISSION |
|---------------|--|----|---------------------|-------------------------|---|
| | | | Appropriation | Appropriation | Appropriation |
| STATE | | | | | |
| | Program: Elections <u>Elections</u> | | | | |
| 3076 | Special Categories Contracted Services From Federal Grants Trust Fund | | 1,750,000 | 1,750,000 | |
| 3077 | Special Categories Assistance For Individuals With Disabilities From Federal Grants Trust Fund | | 1,987,003 | 1,987,003 | |
| N/A | Special Categories Grants And Aids - Election Security Grants From Federal Grants Trust Fund | | 15,450,000 | 15,450,000 | |

Department of Transportation

EOG Number: W2019-0021

Problem Statement:

In accordance with s. 339.135(7)(c), F.S., the Department to Transportation is authorized to realign budget authority among appropriation categories to support the implementation of the Transportation Work Program. The program is continuously refined to meet both production and financial goals within the parameters of finance, available cash, and total authorized budget. The primary reason for the realignment amendment is to align the Work Program to the most current information on project development and production, to make technical adjustments, and to anticipate end-of-year production demands.

A final Work Program is adopted in accordance with s. 339.135, F.S., prior to the beginning of the fiscal year. Work Program projects require adjustments throughout the year to accurately reflect developing circumstances which arise from the normal course of business such as estimate changes, environmental findings, adjustments to project scope, funding and production schedules of the local governments, cost adjustments, or Metropolitan Planning Organization priorities. To ensure production readiness of projects, the districts also work to identify production and schedule changes, permitting activities, commodity price changes, and changes in local government priorities.

This amendment will enable the department to adjust the Work Program as provided in s. 339.135(7), F.S., by aligning budget among appropriation categories to meet current project needs and planned commitments.

Agency Request:

The Department of Transportation requests to realign budget authority between the fixed capital outlay budget categories that make up the Work Program. This transfer realigns \$80.2 million within the State Transportation Trust Fund and \$10 million within the Turnpike General Reserve Trust Fund. The transfers net to zero within both the State Transportation Trust Fund and the Turnpike General Reserve Trust Fund.

Governor's Recommendation:

Recommend providing for the realignment of budget authority within the State Transportation Trust Fund and within the Turnpike General Reserve Trust Fund between various fixed capital outlay appropriation categories that make up the Transportation Work Program.

Senate Committee: Appropriations Subcommittee on Transportation, Tourism, and Economic Development

Senate Analyst: John McAuliffe

House Committee: Transportation & Tourism Appropriations Subcommittee

House Analyst: Greg Davis

| Line Item No. | Budget Entity / Fund / Appropriation Category Title LASPBS Account Number | CF | REQUESTED BY AGENCY | RECOMMENDED BY GOVERNOR | APPROVED BY THE LEGISLATIVE BUDGET COMMISSION |
|-----------------------|---|----|---------------------|-------------------------|---|
| | | | Appropriation | Appropriation | Appropriation |
| TRANSPORTATION | | | | | |
| | Transportation Systems Development <u>Program: Transportation Systems Development</u> | | | | |
| 1856 | Fixed Capital Outlay Transportation Planning Consultants From State Transportation (Primary) Trust Fund | | 500,000 | 500,000 | |
| 1857 | Fixed Capital Outlay Aviation Development/Grants From State Transportation (Primary) Trust Fund | | 21,133,318 | 21,133,318 | |
| 1858 | Fixed Capital Outlay Public Transit Development/Grants From State Transportation (Primary) Trust Fund | | (1,194,318) | (1,194,318) | |
| 1859 | Fixed Capital Outlay Right-Of-Way Land Acquisition From State Transportation (Primary) Trust Fund | | 11,555,000 | 11,555,000 | |
| 1862 | Fixed Capital Outlay Seaport Grants From State Transportation (Primary) Trust Fund | | (12,121,601) | (12,121,601) | |
| 1864 | Fixed Capital Outlay Rail Development/Grants From State Transportation (Primary) Trust Fund | | (10,870,011) | (10,870,011) | |
| 1865 | Fixed Capital Outlay | | | | |

| Line Item No. | Budget Entity / Fund / Appropriation Category Title LASPBS Account Number | CF | REQUESTED BY AGENCY | RECOMMENDED BY GOVERNOR | APPROVED BY THE LEGISLATIVE BUDGET COMMISSION |
|---------------|---|----|---------------------|-------------------------|---|
| | | | Appropriation | Appropriation | Appropriation |
| | Intermodal Development/Grants From State Transportation (Primary) Trust Fund | | (13,176,882) | (13,176,882) | |
| 1866 | Fixed Capital Outlay Preliminary Engineering Consultants From State Transportation (Primary) Trust Fund | | 16,360,075 | 16,360,075 | |
| 1867 | Fixed Capital Outlay Right-Of-Way Support From State Transportation (Primary) Trust Fund | | 3,052,107 | 3,052,107 | |
| 1868 | Fixed Capital Outlay Transportation Planning Grants From State Transportation (Primary) Trust Fund | | (892,107) | (892,107) | |
| | Transportation Systems Operations <u>Program: Highway Operations</u> | | | | |
| 1891 | Fixed Capital Outlay Small County Resurface Assistance Program (Scrap) From State Transportation (Primary) Trust Fund | | (500,000) | (500,000) | |
| 1892 | Fixed Capital Outlay Small County Outreach Program (Scop) From State Transportation (Primary) Trust Fund | | (400,000) | (400,000) | |
| 1894 | Fixed Capital Outlay County Transportation Programs From State Transportation (Primary) Trust Fund | | (500,000) | (500,000) | |
| 1897 | Fixed Capital Outlay Intrastate Highway Construction | | | | |

| Line Item No. | Budget Entity / Fund / Appropriation Category Title LASPBS Account Number | CF | REQUESTED BY AGENCY | RECOMMENDED BY GOVERNOR | APPROVED BY THE LEGISLATIVE BUDGET COMMISSION |
|---------------|---|----|---------------------|-------------------------|---|
| | | | Appropriation | Appropriation | Appropriation |
| 1898 | From State Transportation (Primary) Trust Fund Fixed Capital Outlay Arterial Highway Construction From State Transportation (Primary) Trust Fund | | (24,536,453) | (24,536,453) | |
| 1899 | Fixed Capital Outlay Construction Inspection Consultants From State Transportation (Primary) Trust Fund | | (6,250,000) | (6,250,000) | |
| 1901 | Fixed Capital Outlay Highway Safety Construction/Grants From State Transportation (Primary) Trust Fund | | (3,900,465) | (3,900,465) | |
| 1902 | Fixed Capital Outlay Resurfacing From State Transportation (Primary) Trust Fund | | (2,891,946) | (2,891,946) | |
| 1903 | Fixed Capital Outlay Bridge Construction From State Transportation (Primary) Trust Fund | | 11,542,785 | 11,542,785 | |
| 1904 | Fixed Capital Outlay Contract Maintenance With The Department Of Corrections From State Transportation (Primary) Trust Fund | | 4,090,498 | 4,090,498 | |
| 1906A | Fixed Capital Outlay Local Transportation Projects From State Transportation (Primary) Trust Fund | | 8,000,000 | 8,000,000 | |
| 1909 | Fixed Capital Outlay Traffic Engineering Consultants | | (15,000,000) | (15,000,000) | |

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|---------------|---|----|---------------------|-------------------------|---|
| | | | Appropriation | Appropriation | Appropriation |
| | From State Transportation (Primary) Trust Fund | | (8,000,000) | (8,000,000) | |
| | Florida's Turnpike Systems <u>Florida's Turnpike Enterprise</u> | | | | |
| 1949 | Fixed Capital Outlay Intrastate Highway Construction From Turnpike General Reserve Trust Fund | | (10,000,000) | (10,000,000) | |
| 1954 | Fixed Capital Outlay Preliminary Engineering Consultants From Turnpike General Reserve Trust Fund | | 10,000,000 | 10,000,000 | |
| N/A | Fixed Capital Outlay Local Transportation Projects From State Transportation (Primary) Trust Fund | | 15,000,000 | 15,000,000 | |
| 1956 | Fixed Capital Outlay Traffic Engineering Consultants From State Transportation (Primary) Trust Fund | | 12,000,000 | 12,000,000 | |
| 1957 | Fixed Capital Outlay Toll Operation Contracts From State Transportation (Primary) Trust Fund | | (3,000,000) | (3,000,000) | |

Division of Emergency Management

EOG Number: B2019-0041

Problem Statement:

The federal Bipartisan Budget Act of 2018 appropriated \$2.6 billion to the United States Department of Agriculture (USDA) to administer the 2017 Wildfires and Hurricane Indemnity Program (WHIP), which compensates agricultural producers for necessary expenses related to crops, trees, bushes, and vine losses associated with the consequences of Hurricane Harvey, Irma, Maria, other named hurricanes and various wildfires that occurred in calendar year 2017. Of the federal appropriation, the USDA will award Florida an anticipated \$357 million block grant to assist Florida citrus farmers recovering from the effects of Hurricane Irma. The Division of Emergency Management (Division) will administer the funds through the Florida Citrus Hurricane Recovery Block Grant. Of the federal block grant, the Division plans to use \$340 million for direct aid to growers and \$17 million (5 percent of grant) for administrative costs.

The Division has partnered with the Florida Department of Agriculture and Consumer Services to identify issues that are important to the industry and distribute the funding from the Florida Citrus Hurricane Recovery Block Grant. The direct aid to growers for recovery of farming operations will consist of:

1. Tree resets - Payments to replace irreparably damaged or destroyed trees. An eligible producer with at least 15 percent fruit loss will be eligible to receive payment for the cost of purchasing and planting replacement trees, including resetting, grove rehabilitation, repair of damages to irrigation systems, and related costs.
2. Future economic losses - Payments to citrus producers for expected citrus losses in 2019 and 2020 as result of 2017 hurricanes if the producers suffered a 50 percent loss of fruit for the 2018 crop year.
3. Crop insurance purchase requirement - Payment of the producer share of the crop insurance premium. A producer may obtain a higher level of coverage, but the Division is required to assist in the purchase at the 60 percent level.

For the \$17 million for administrative costs (5 percent of the grant amount), the Division plans to contract with a “vendor/contractor” for approximately \$16 million to administer the program. The details of the operational costs and any related bid requirements for such a contractor have not been provided yet.

As of July 5, 2018, the federal grant moneys have not been received by the state and the Division has not signed an agreement with the USDA.

Agency Request:

The Division of Emergency Management requests to increase budget authority by \$357,000,000 from the Federal Grants Trust Fund in the Special Categories - Grants and Aids - Federal Citrus Disaster Recovery Program appropriation category for the Florida Citrus Hurricane Recovery Block Grant Program.

The Division requests budget authority and release for the full amount of the grant award in Fiscal Year 2018-2019.

Governor's Recommendation:

Recommend providing additional budget authority in the amount of \$357 million from the Federal Grants Trust Fund for the Florida Citrus Hurricane Recovery Block Grant received from the U.S. Department of Agriculture.

Senate Committee: Appropriations Subcommittee on Transportation, Tourism, and Economic Development

Senate Analyst: John McAuliffe

House Committee: Appropriations Committee

House Analyst: Gus (James) Delaney

| Line Item No. | Budget Entity / Fund / Appropriation Category Title LASPBS Account Number | CF | REQUESTED BY AGENCY | RECOMMENDED BY GOVERNOR | APPROVED BY THE LEGISLATIVE BUDGET COMMISSION |
|---------------|--|----|---------------------|-------------------------|---|
| | | | Appropriation | Appropriation | Appropriation |
| N/A | GOVERNOR, EXECUTIVE OFFICE OF THE Program: Emergency Management <u>Emergency Prevention, Preparedness And Response</u> Special Categories Grant And Aids - Federal Citrus Disaster Recovery Program From Federal Grants Trust Fund | | 357,000,000 | 357,000,000 | |