



Volume **22** | Number **8** | **April 20, 2015**

Lawmakers acknowledged this week that they almost certainly won't get the FY 2015-2016 budget done by the scheduled May 1 conclusion of the legislative session because of healthcare funding issues state officials have known about for the past year. Resolving these contentious issues, though, is complicated by the uncommon involvement of four entities – Gov. Scott, the House, Senate and the federal government – each with distinct perspectives on the matter.

The two main parties to the squabble are the House and Senate, which stand \$4.2 billion apart in their respective budget proposals, thanks largely to differences in how they handle the Low Income Pool, or LIP, program, and the Senate's proposal to use \$2.8 billion in Medicaid expansion funds to help lower-income Floridians purchase private insurance.

In the midst of this division, the Senate Appropriations Committee will conduct, for all senators, a relatively unusual workshop Tuesday that is expected to include discussion about the Senate proposal to expand healthcare coverage and information on the importance of LIP funding. For a fuller overview of the impasse legislators are facing over the budget, please see the related story.

With the budget stalled and committee meetings for substantive legislation all but shut down for this session, the focus for state universities shifts to a handful of bills still moving through the process. College affordability bills are still under discussion and will likely be heard again this week, as will public-private partnership bills and government accountability bills.

Please see the Spotlight on Bills section of this newsletter for updates on these and other bills of interest this week, the eighth of the nine-week regular session. At this time, only 22 bills have made their way to the governor for his signature, but both the House and Senate are scheduled to meet in full session nearly every day this week.

As always, please feel free to contact me if you have questions or are interested in copies of bills and their analysis. I can be reached at **(850) 644-4453** or **kdaly@fsu.edu**.

Kathleen

Lengthier Session Likely Due to Healthcare Impasse

Disagreement between the House and Senate on federal funding for LIP and Medicare expansion has the potential to extend this year's regular legislative session or require a special session. The impasse resulted in dizzying volleys last week between the federal Centers for Medicare & Medicaid Services (CMS), the state Agency for Health Care Administration (AHCA), the Florida House and Senate, Governor Scott and several members of Congress.

As part of the federal government's 2011 Medicaid Managed Care Waiver, Florida received approval for a Low Income Pool (LIP) program. Last year, LIP was extended for one year until June 30, 2015, to "provide stability for [healthcare] providers as Florida transitions to statewide Medicaid managed care, while allowing the state to move toward a significantly reformed Medicaid payment system." The extension was conditioned on compliance with special terms and conditions that describe federal involvement in the project.

Last week the federal CMS sent a follow-up letter to the state AHCA on LIP negotiations, reiterating "LIP would not...

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...continue in its current form,” and indicating “the future of LIP, sufficient provider rates, and Medicaid expansion are linked in considering a solution for Florida’s low income citizens, safety net providers, and taxpayers.”

CMS also said it would monitor the progress of the Senate’s proposal to expand healthcare coverage and listed several key principles for the LIP review including preference for coverage over uncompensated care pools, Medicaid payments supporting services, and sufficient provider payment rates.

Meanwhile, Florida House Speaker Steve Crisafulli (R-Merritt Island) has argued that negotiations over LIP and Medicaid expansion are separate

ones, and that CMS is trying to coerce the state into expanding Medicaid. Crisafulli also said the Florida Senate “muddled [these] negotiations” and asked “the federal government to fulfill their commitment to Florida by providing continued LIP funding in a new form.” Crisafulli said he does not support using state funds to offset the loss of federal funds if LIP is reduced or discontinued and that the House is instead looking at a “free market” approach for Florida.

Florida Senate President Andy Gardiner (R-Orlando) sent a memo to senators claiming that there would be stark consequences if the state did not receive LIP funding or expand its healthcare program. Quoting a report, Gardiner said losing LIP funding would result “in a loss of \$1.3 billion in

hospital revenues or an average 15% reduction statewide,” resulting in “layoffs and less services.” Gardiner stressed the Senate’s openness “to meeting anytime to discuss our free-market approach to expansion or any alternative the House or Governor would like to propose.” The Senate LIP proposal was submitted by the state AHCA to the CMS as the proposed LIP plan, and a “Medicaid sustainability” briefing has been scheduled for Tuesday by the Senate Appropriations Committee.

Governor Rick Scott, who supported Medicaid expansion two years ago but now opposes it, claimed that the federal government was walking away from the LIP program and that he planned to sue the federal government for coercion.

SPOTLIGHT ON **BILLS**

CS CS CS HB 1063 – Government Accountability by Representative Larry Metz (R – Eustis, FSU Alum), amends statutes pertaining to government accountability and auditing. The bill:

- Specifies that the Governor, the Commissioner of Education, or the designee of the Governor or of the Commissioner of Education may notify the Legislative Auditing Committee of an entity’s failure to comply with certain auditing and financial reporting requirements;
- Provides definitions for the terms “abuse,” “fraud,” and “waste;”

- Requires each agency, the judicial branch, the Justice Administrative Commission, state attorneys, public defenders, criminal conflict and civil regional counsel, the Guardian Ad Litem program, local governmental entities, governing bodies of charter schools, each school district, Florida College System institution, and each state university to establish and maintain internal controls;
- Clarifies that the internal controls must ensure the reliability of financial records and reports;
- Adds school district to the list

of governmental entities who may withhold salary-related payments for failure to timely file disclosure of financial interests;

- Expands the types of governmental entities that are subject to lobbyist registration requirements;
- Requires counties, municipalities, and special districts to maintain certain budget documents on the entities’ websites for specified timeframes;
- Requires a unit of government to investigate and take action to recover prohibited compensation,

specifies methods of recovery and liability for violations, provides a reward structure to those reporting prohibited compensation, and exempts from the prohibition specified bonuses and severance pay;

- Revises the monthly financial statement requirements for water management districts;
- Revises the composition of an audit committee;
- Prohibits certain officers, members, or directors from representing a person or entity before Enterprise Florida, its divisions, and the Florida Development Finance Corporation;
- Requires completion of an annual financial audit of the Florida Virtual School; and
- Requires a district school board, Florida College System board of trustees, or university board of trustees to respond to audit recommendations under certain circumstances.

The bill was amended last week to:

- **Provide that the prohibition against extra compensation does not include specified revenues for state universities, public hospitals, special districts, and Florida College System institutions.**
- **Limit the applicability of certain penalties related to the prohibition of extra compensation to contracts or employment agreements entered into on or after July 1, 2015, or the renewal or renegotiation of an existing contract or agreement on or after July 1, 2015.**

The bill reported favorably by the State Affairs Committee. A similar bill in the Senate, **CS CS SB 1372 by Senator Don Gaetz (R – Destin)**, is scheduled to be heard today in the Rules Committee.

SB 7082 -- Death Benefits Under the Florida Retirement System by Senator Jeremy Ring (D – Margate), makes two primary changes to the Florida Retirement System (FRS). First, the bill increases the monthly survivor benefits available to the spouses and children of FRS pension plan members in the Special Risk Class when killed in the line of duty from 50 percent of the member's monthly salary at the time of death to 100 percent of the member's monthly salary at the time of death. These new benefits are funded through additional employer-paid contributions relating to the FRS pension plan.

Second, the bill permits the surviving spouse or children of an investment plan member in the Special Risk Class when killed in the line of duty to opt into the FRS investment plan survivor benefits program in lieu of receiving normal retirement benefits under the FRS investment plan. By participating in the survivor benefits program, the surviving spouse and children are eligible to receive annuitized benefits much like the survivor benefits (described above) afforded to Special Risk Class members of the FRS pension plan. The investment plan survivor benefits program is funded by additional employer-paid contributions to the survivor benefits account of the FRS Trust Fund.

The new survivor benefits established by this bill are available to members in the Special Risk Class when killed in the line of duty on or after July 1, 2013.

The bill reported favorably by the Appropriations Committee last week. The House companion, **HB 39**

by Representative Mike Hill (R – Pensacola) is in the Governmental Operations Subcommittee.

CS CS CS HB 57 -- Law Enforcement Officer Body Cameras by Representative Shevrin Jones (D – West Park), requires law enforcement agencies that permit law enforcement officers to wear body cameras to develop policies and procedures governing the proper use, maintenance, and storage of body cameras and recorded data. The policies and procedures must include:

- General guidelines for the proper use, maintenance, and storage of body cameras;
- Any limitations on which law enforcement officers are permitted to wear body cameras;
- Any limitations on the situations in which law enforcement officers are permitted to wear body cameras; and
- General guidelines for the proper storage, retention, and release of audio and video data recorded by body cameras.

The bill requires law enforcement agencies to provide policies and procedures training to all personnel who use, maintain, store, or release body camera recording data. The bill also requires law enforcement agencies to retain body camera recording data, and to perform periodic reviews of agency practices to ensure compliance with the agency's policies and procedures. The bill also exempts body camera recordings from the requirements of ch. 934, F.S., this allows law enforcement officers to wear body cameras during their patrol duties without having to inform each individual they make contact with that they are being recorded.

The bill reported favorably by the Judiciary Committee last week and will next be heard by the full House. A similar bill in the Senate, **SB 7080 by Senator Greg Evers (R – Pensacola)** is scheduled to be heard today in the Fiscal Policy Committee.

SB 942 -- Rapid Response Education and Training Program by Senator Don Gaetz (R – Destin), establishes the Rapid Response Education and Training Program within the Complete Florida Plus Program at the University of West Florida to recruit and retain employees through industry-specific education and training. Also, the bill requires that the Complete Florida Plus Program work directly with Enterprise Florida, Inc., in project-specific industry recruitment and retention efforts to offer credible education and training commitments to businesses.

Specifically, the bill requires that the Rapid Response Education and Training Program:

- Award matching grants to public and private education and training providers.
- Submit to the Legislature periodic reports generated by an independent forensic accounting or auditing entity.
- Keep administrative costs to a minimum through the use of existing organizational structures.
- Work with businesses to recruit individuals for education and training.
- Terminate an education and training program by giving 30-days' notice.
- Survey businesses regarding the effectiveness of the education and training programs.

Additionally, the bill requires that the Division of Career and Adult Education within the Department of Education analyze and assess the effectiveness of the education and training programs offered through the Rapid Response Education and Training Program in meeting labor market and occupational trends and gaps.

The Senate's Fiscal Year 2015-2016 proposed General Appropriations Bill, SB 2500, appropriates \$19.2 million for the Rapid Response Education and Training Program.

The bill reported favorably by the Appropriations Committee last week. The identical bill in the House, **HB 993 by Representative Clay Ingram (R – Pensacola, FSU Alum)**, is in the Higher Education and Workforce Subcommittee.

CS SB 874 – Dual Enrollment Program by Senator Kelli Stargel (R – Lakeland), modifies public and private dual enrollment articulation agreements to expand benefits for home education program and private school students and establishes August 1 as the annual deadline for submitting such agreements to the Florida Department of Education. Specifically, the bill:

- Removes the responsibility of a home education program student to provide for his or her own instructional materials and requires that instructional materials be provided free of charge to all dual enrollment students.
- Specifies dual enrollment articulation agreement provisions and requirements for agreements with private school students, similar to current law for home education program students.
- Adds technology fees to the existing fees that public and

private school students and home education program students are exempt from paying for dual enrollment courses.

The bill has an indeterminate fiscal impact in terms of a loss of revenue for postsecondary institutions. The requirement for all eligible postsecondary institutions to enter into dual enrollment articulation agreements with private and home education program students, who are exempt from payment of tuition and fees, will result in a loss of revenue for the state's postsecondary institutions.

The bill reported favorably by the Appropriations Committee last week. A similar bill in the House, **HB 713 by Representative Keith Perry (R – Gainesville)**, is in the Higher Education and Workforce Committee.

CS CS SB 1296 Military and Veterans Affairs by Senator Aaron Bean (R – Jacksonville), is a wide-ranging veterans bill that:

Creates the Military and Overseas Voting Assistance Task Force within the Department of State, to study issues involving the development and implementation of an online voting system that allows absent military members to electronically submit **voted** ballots;

- Provides legislative intent regarding academic credit for military training and coursework and collaboration between the State Board of Education and the Board of Governors on student veteran issues;
- Establishes a voluntary check-off on driver license & identification card applications to allow a veteran to request written or electronic information on federal, state, and local benefits and services available to veterans;

- Waives driver license and identification card fees for combat veterans; and,
- Removes an existing provision that waives driver license and identification card fees for 100% total and permanent service-connected disabled veterans.

The bill was amended last week to make the following changes to the veterans' voluntary check-off program:

- Replaces "direct-support organization" with "third-party provider" selected by the FDVA to act on its behalf;
- Defines "third-party provider;"
- Allows a veteran to opt to receive the benefit information via U.S. mail or e-mail;
- Provides that only the veteran's name and mailing address or e-mail address will be shared;
- Removes requirement that a veteran present a DD-214 to be able to participate in the check-off program;
- Changes frequency in which DHSMV will disseminate veterans' contact information to the FDVA from quarterly to monthly;
- Provides that a third-party provider, instead of a county or city veteran service officer, will distribute the benefit information directly to veterans;
- Requires FDVA to disseminate veterans' contact information to each county and city veteran service officer for optional outreach to veterans;
- Provides a criminal penalty for any person who sells a veteran's contact information or who does

not maintain confidentiality of a veteran's contact information; and

- Removes unnecessary redundant language.

The amendment also revises the legislative intent regarding college and university student veteran support by requiring the State Board of Education and the Board of Governors work collaboratively to:

- Align existing degree programs, at each state university and Florida College System institution with applicable military training and experience to maximize academic credit awarded for such training and experience.
- Appoint and train specific faculty within each degree program at each state university and Florida College System institution as liaisons and contacts for veterans.
- Incorporate outreach services tailored to disabled veterans into existing disability services on the campus of each state university and Florida College System institution to make available to such veterans information on disability services provided by the United States Department of Veterans Affairs, other federal and state agencies, and private entities.
- Facilitate statewide meetings for personnel at state universities and Florida College System institutions who provide student services for veterans to discuss and develop best practices, exchange ideas and experiences, and attend presentations by individuals with expertise in the unique needs of veterans.
- Make every effort to provide veterans with sufficient courses

required for graduation, including, but not limited to, giving priority registration to veterans.

The bill is waiting to be heard by the full Senate. A similar bill in the House, **CS HB 1091 by Representative Greg Steube (R – Sarasota)**, is waiting to be heard by the full House.

UPDATE ON BILLS

SB 7046 – Education by Senator John Legg (R – Lutz), modifies fiscal policy aspects relating to education with respect to preeminent state research universities; intensive reading instruction; teacher bonus funding; and performance funding for state universities and Florida colleges. Specifically, the bill:

- Provides that the continuation of the institute for online learning is contingent upon a state research university entering into and maintaining a formal agreement with the National Merit Scholarship Corporation to offer college-sponsored merit scholarship awards. This language is intended for the University of Florida.
- Extends and expands the requirement of providing an additional hour of intensive reading instruction daily to students enrolled in the 300 lowest performing elementary schools.
- Increases maximum available public school teacher bonus funding, including establishing two new tiers of bonuses available to CAPE industry certification teachers.
- Establishes performance funding models for the State University System (SUS) and Florida College System (FCS) institutions.

The bill contains several provisions which have funds appropriated for their purpose in SB2500, the Senate's Fiscal Year 2015-2016 proposed General Appropriations Bill. A total of \$90 million is appropriated for intensive reading instruction in the 300 lowest performing elementary schools, \$400 million is appropriated for SUS performance funding, and \$60 million is appropriated for FCS performance funding.

The bill is waiting to be heard by the full Senate. There is no House companion at this time.

SB 530 – Bullying and Harassment Policies in Schools by Senator Jeremy Ring (D – Margate), requires periodic revision of a school district's anti-bullying and harassment policy, modifies the information that must be contained in the policy, and requires schools to implement the policy.

- Specifically, the bill adds the requirements that each:
- School district revise its anti-bullying and harassment policy every three years.
- School implement the school district's anti-bullying and harassment policy.
- School district's anti-bullying and harassment policy:
 - Make the reporting of bullying or harassment mandatory; and
 - Include a list of bullying prevention and intervention programs authorized by the school district to provide instruction to students, parents, teachers, school administrators, counseling staff, and school volunteers on identifying, preventing, and responding to bullying or harassment.

The bill is scheduled to be heard in the Fiscal Policy Committee today. A similar bill in the House, **HB 603 by Representative Joe Geller (D – Dania Beach, FSU Alum)**, is in the K-12 Subcommittee.

CS CS HB 463 – Ticket Sales by Representative Blaise Ingoglia (R – Spring Hill), prohibits certain fraudulent types of activities related to admission tickets and provides for civil or criminal penalties. The bill amends s. 817.36, F.S., to:

- Provide definitions for "department" to mean the Department of Agriculture and Consumer Services (Department), "face value," "online marketplace," "place of entertainment," "resale website," and "ticket";
- Clarify when a ticket may be resold or offered for resale for more than \$1 over face value;
- Clarify the required guarantees and disclosures for ticket resale websites and online marketplaces;
- Require a resale website or online marketplace to make certain disclosures to a prospective ticket resale purchaser prior to a resale transaction, if the "place of entertainment" was constructed without taxpayer funds;
- Prohibit a resale website or online marketplace from making any representation of affiliation or endorsement with a venue or artist without the express consent of the venue or artist, unless such use constitutes fair use under federal law;
- Provide penalties for violations: a person who violates a provision of s. 817.36, F.S., related to the resale of a ticket, uses or distributes software to circumvent the ticket buying process, or

makes a false representation of affiliation or endorsement commits a misdemeanor of the second degree, a person who operates a website that makes false representations of affiliation or endorsement and who was previously convicted at least twice of making such false representations, commits a misdemeanor of the first degree;

- Resale websites and online marketplaces are not liable for the representations of resellers who use their service; however, the resale website or online marketplace may not allow a ticket to be offered for sale unless the reseller provides the required disclosures;
- Allow a person to bring a declaratory action in certain circumstances; and
- Allow for actual damages, including attorney fees and court costs, in certain circumstances.

The bill was amended last week to:

- Clarify the definitions of "online marketplace," "place of entertainment," and "ticket;"
- Provide that a purchaser must request a refund when an event is cancelled;
- Clarify the disclosures required for a resale website or online marketplace, to require stating that the website is not the issuer or original ticket seller and that the prices of tickets often exceed face value;
- Provide that resellers must provide several disclosures required by this bill only for tickets that are from "places of entertainment" that were not constructed in whole or in part with "taxpayer funds;"

- Amend the information a reseller must provide to only include the general location of the seat being offered;
- Clarify that that express consent for a resale website or online marketplace to make a representation of affiliation or endorsement does not have to be written;
- Reduce all criminal penalties in the bill to misdemeanors

of the second degree, and provides that a person who was previously convicted twice for falsely representing affiliation or endorsement with a venue or artist commits a misdemeanor of the first degree for subsequent false representations;

- Provide that resale websites and online marketplaces are not liable for representations and disclosures made by resellers using their platforms; however,

the resale website or online marketplace may not allow a reseller to offer a ticket for resale unless the reseller provides the required disclosures and information.

The bill reported favorably by the Regulatory Affairs Committee. The Senate companion, **CS SB 742 by Senator Wilton Simpson (R – New Port Richey)**, is in the Appropriations Committee.

SESSION SCHEDULE

SENATE SESSION

WEDNESDAY, **APRIL 22** – FRIDAY, **APRIL 24**, 10:00 a.m. to 6:00 p.m.

HOUSE SESSION

TUESDAY, **APRIL 21**, 11:00 a.m. to completion

WEDNESDAY, **APRIL 22** – FRIDAY, **APRIL 24**, 9:00 a.m. to completion



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