

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** HB 371 Florida Commission on Poverty

**SPONSOR(S):** Williams

**TIED BILLS:** **IDEN./SIM. BILLS:** SB 556

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Government Operations Subcommittee		Toliver	Williamson
2) Appropriations Committee			
3) State Affairs Committee			

### SUMMARY ANALYSIS

The bill establishes the Florida Commission on Poverty and assigns it to the Department of Economic Opportunity. The commission serves as an advisory board to the Governor and Cabinet, the Legislature, and appropriate state agencies and entities on matters relating to poverty.

The commission provides for appointment of five voting members and any number of non-voting members, requires the voting members to be confirmed by the Senate, and provides that members serve 4-year terms. Members of the commission serve without compensation, but voting members are entitled to reimbursement for per diem and travel expenses.

The bill requires the commission to conduct a study and develop strategies to address the causes of poverty in Florida. The commission must solicit the participation of counties in the study. The commission may procure information and assistance, contract for necessary goods and services, and apply for and accept funds, grants, gifts, and services.

By January 15 of each year, the commission must submit an annual report to the Governor, President of the Senate, and the Speaker of the House of Representatives. The report must contain an accounting of the commission's activities as well as any recommendations the commission has for legislative, administrative, or regulatory reforms for the purpose of mitigating the existence of poverty in Florida.

The bill may have a fiscal impact on state government, but does not appear to have a fiscal impact on local governments.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

##### Background

The United States Census Bureau (bureau) tracks the rate of poverty throughout the population of the United States.<sup>1</sup> The bureau estimates that in 2013 there were 48.8 million Americans living in poverty, which equates to 15.8 percent of the country's population.<sup>2</sup> Florida's poverty rate of 17 percent exceeds the national average.<sup>3</sup> As of 2013, there were approximately 3.25 million persons living below the poverty line in Florida,<sup>4</sup> and of Florida's 66 counties, 47 had poverty rates exceeding the national average.<sup>5</sup>

In order to reduce the number of persons in poverty, some states have created statewide anti-poverty initiatives. The following are examples of such initiatives:

- The Legislative Commission to End Poverty in Minnesota by 2020 was created in 2006 to develop guidelines to end poverty and prepare recommendations on how to do so.<sup>6</sup>
- The Speaker of the House of Representatives for Alabama created a poverty task force in September 2007 to identify and assess conditions that create or worsen poverty throughout Alabama and to develop and propose policy initiatives to reduce or eliminate those conditions.<sup>7</sup>
- The Illinois Commission on the Elimination of Poverty was established in 2008 to address poverty in Illinois consistent with international human rights standards, with an initial goal to reduce extreme poverty in Illinois by 50 percent or more by 2015.<sup>8</sup>
- The Child Poverty Prevention Council for Louisiana was created in 2008 to pursue programs to reduce child poverty in the state by 50 percent over the following decade.<sup>9</sup>
- The Connecticut Legislature created a Child Poverty Council in 2004 to develop a 10-year plan to reduce the number of children living in poverty in Connecticut by 50 percent.<sup>10</sup>
- The Rhode Island Legislature created a legislative commission on family income and asset building in 2007 to conduct a comprehensive review of Rhode Island laws, policies, and activities that benefit those in poverty.<sup>11</sup>

##### Advisory Bodies

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<sup>1</sup> The United States Bureau of the Census determines the poverty status of an individual or group of individual by comparing annual income to a set of dollar values called poverty thresholds that vary by family size, number of children, and the age of the householder. Poverty: 2012 and 2013, American Community Survey Briefs, U.S. Census Bureau, available at <https://www.census.gov/content/dam/Census/library/publications/2014/acs/acsbr13-01.pdf> (last visited Jan. 10, 2016).

<sup>2</sup> *Id.*

<sup>3</sup> *Id.*

<sup>4</sup> *Id.*

<sup>5</sup> The following counties have poverty rates exceeding the national average: Wakulla, Manatee, Lee, Volusia, Hillsborough, Monroe, Duval, Citrus, Escambia, Bay, Orange, Baker, Columbia, St. Lucie, Polk, Walton, Jefferson, Marion, Highlands, Osceola, Miami-Dade, Leon, Bradford, Gilchrist, Gulf, Washington, Levy, Calhoun, Union, Taylor, Glades, Suwannee, Hendry, Lafayette, Gadsden, Alachua, Okeechobee, Franklin, Jackson, Putnam, Dixie, Holmes, Liberty, Hardee, Madison, Hamilton, DeSoto. See United States Department of Agriculture, Economic Research Service, County-level Poverty Data Sets, available at <http://www.ers.usda.gov/data-products/county-level-data-sets/poverty.aspx> (last visited Jan. 24, 2016).

<sup>6</sup> Minnesota Laws 2006, ch. 282, part. 2, s. 27.

<sup>7</sup> Alabama House of Representatives, Poverty Task Force, Final Report (2008) available at <http://www.clasp.org/documents/PTF-Final-Report.pdf> (last visited Jan. 5, 2016).

<sup>8</sup> 20 ILL. COMP. STAT. 4080/10 (2008).

<sup>9</sup> LA, REV. STAT. ANN. s. 46:2801 (2008).

<sup>10</sup> CONN. GEN. STAT. s. 4-67x (2004).

<sup>11</sup> 2007 RI H 6561 (2007).

Section 20.052, F.S., provides that an advisory body created by specific statutory enactment as an adjunct to an executive agency must be established, evaluated, or maintained in accordance with certain requirements.

An advisory body may be created only when it is found to be necessary and beneficial to the furtherance of a public purpose,<sup>12</sup> and it must be terminated by the Legislature when it is no longer necessary and beneficial to the furtherance of the public purpose.<sup>13</sup> An advisory body may not be created unless:

- Its powers and responsibilities conform with the definitions for governmental units in s. 20.03, F.S.;
- Its members are appointed for 4-year staggered terms; and
- Its members serve without additional compensation or honorarium, but may receive per diem and reimbursement for travel expenses.<sup>14</sup>

The private citizen members of an advisory body that is adjunct to an executive agency must be appointed by the Governor, the head of the department, the executive director of the department, or a Cabinet officer.<sup>15</sup>

### **Effect of the Bill**

The bill establishes the Florida Commission on Poverty and assigns it to the Department of Economic Opportunity. The commission serves as an advisory board to the Governor and Cabinet, the Legislature, and appropriate state agencies and entities on matters relating to poverty. It is unclear whether staff of the Department of Economic Opportunity will provide administrative assistance to the commission.

The commission consists of five voting members who must be confirmed by the Senate and who are appointed in the following manner:

- The Governor appoints one voting member;
- The Chief Financial Officer appoints one voting member;
- The President of the Senate appoints one voting member;
- The Speaker of the House of Representatives appoints one voting member; and
- The Florida Association for Community Action, Inc. appoints one voting member.

Because the commission is an advisory body, members do not need to be confirmed by the Senate.

In addition, the Governor may appoint any number of nonvoting members to the commission who may concurrently hold public office with his or her term of service. Members of the commission must be Florida residents.

Commission members are appointed for four-year terms; however, it is unclear if the four-year term applies to all members or voting members only. Members may be reappointed for successive terms. A vacancy is filled for the remainder of the unexpired term in the same manner as the original appointment. The bill does not provide for staggered terms.

Members of the commission serve without compensation, but voting members are entitled to reimbursement for per diem and travel expenses.

The commission must annually elect a chair, who must be a voting member, and a vice chair. It is unclear whether the vice chair has to be a voting member of the commission.

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<sup>12</sup> Section 20.052(1), F.S.

<sup>13</sup> Section 20.052(2), F.S.

<sup>14</sup> Section 20.052(4), F.S.

<sup>15</sup> Section 20.052(5)(a), F.S.

The commission must meet at least twice each year at the call of the chair or at the request of a majority of the commission's total voting membership. A majority of the total voting membership constitutes a quorum, and the affirmative vote of a majority of a quorum is necessary to take official action.

The commission must conduct a study and develop strategies to address the causes of poverty in Florida, and to solicit the participation of counties in the study. A county that wishes to participate must submit an application to the commission that outlines current issues relating to poverty in that county. The commission must develop procedures to approve or deny applications for participation. The bill does not indicate why a county would be denied participation.

The bill authorizes the commission to:

- Procure information and assistance from the state or any political subdivision, municipality, public officer, or governmental department or agency thereof;
- Contract for the necessary goods and services; and
- Apply for and accept funds, grants, gifts, and services from any local government, state government, or the Federal Government, or an agency thereof, or any other public or private source for the purpose of defraying clerical and administrative costs as may be necessary to carry out its duties.

It is unclear why an advisory body would contract for goods and services. Such authority appears to extend beyond an advisory capacity.

By January 15 of each year, the bill requires the commission to submit an annual report to the Governor, the President of the Senate, and the Speaker of the House of Representatives that provides an accounting of its activities and recommendations for legislative, administrative, and regulatory reforms to facilitate efforts in mitigating the existence of poverty in Florida.

#### B. SECTION DIRECTORY:

Section 1 creates an unnumbered section of law establishing the Florida Commission on Poverty.

Section 2 provides an effective date of July 1, 2016.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

#### A. FISCAL IMPACT ON STATE GOVERNMENT:

##### 1. Revenues:

None.

##### 2. Expenditures:

The bill authorizes voting members of the commission to receive per diem and travel expenses in accordance with s. 112.061, F.S.

#### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

##### 1. Revenues:

None.

##### 2. Expenditures:

None.

#### C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill authorizes the commission to accept funds, grants, gifts, and services from any private source for the purpose of defraying clerical and administrative costs.

D. FISCAL COMMENTS:

None.

### III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to require counties or municipalities to spend funds or take an action requiring the expenditure of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

Chapter 20, F.S., defines the term “commission” to mean a body created by specific statutory enactment within a department, the office of the Governor, or the Executive Office of the Governor, and *exercising limited quasi-legislative or quasi-judicial powers or both*, independently of the head of the department or the Governor.<sup>16</sup> Chapter 20, F.S., defines the term “council” to mean an advisory body created by specific statutory enactment and appointed to function on a continuing basis for the study of the problems arising in a specified functional or program area of state government and to provide recommendations and policy alternatives.<sup>17</sup>

The bill establishes the Florida Commission on Poverty within the Department of Economic Opportunity. The Florida Commission on Poverty is established as an advisory board. As such, it is recommended that the bill be amended to refer to the advisory body as a council instead of a commission.

### IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

Not applicable.

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<sup>16</sup> Section 20.03(10), F.S.

<sup>17</sup> Section 20.03(7), F.S.