

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 5501 bill TTA 17-01 PCB TTA 17-01 Displaced Homemakers
SPONSOR(S): Transportation & Tourism Appropriations Subcommittee, Ingram
TIED BILLS: IDEN./SIM. **BILLS:**

| REFERENCE | ACTION | ANALYST | STAFF DIRECTOR or BUDGET/POLICY CHIEF |
|----------------------------------------------------------------------|-----------|---------|------------------------------------------|
| Orig. Comm.: Transportation & Tourism Appropriations Subcommittee | 13 Y, 0 N | Proctor | Davis |
| 1) Appropriations Committee | 25 Y, 0 N | Proctor | Leznoff |

SUMMARY ANALYSIS

The Florida Displaced Homemaker Program is a state program designed to assist displaced homemakers - individuals who are not adequately employed and have been dependent on the income of another family member, but are no longer supported by such income. The services provided by the Displaced Homemaker Program are also provided through 106 CareerSource career centers statewide.

The bill amends statutes to conform to the funding decisions included in the proposed House General Appropriations Act for Fiscal Year 2017-18, relating to the Displaced Homemaker Program.

The bill eliminates the Displaced Homemaker Program and terminates the Displaced Homemaker Trust Fund. The bill further eliminates a portion of the fees that provided revenue for the program by reducing the surcharge on marriage license applications by \$7.50. The fee for the issuance of a marriage license will be reduced from \$59.50 to \$52.00. The balance of the revenue source is deposited into the General Revenue Fund. According to the Revenue Estimating Conference, which met on February 16, 2017, those redirected fees for Fiscal Year 2017-18 are estimated to be approximately \$800,000.

The bill is anticipated to have a negative recurring impact to state revenue of approximately \$1.2 million through the fee reduction on marriage license applications.

The bill provides an effective date of July, 1, 2017.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Displaced Homemaker Program

The Florida Displaced Homemaker Program is a state program designed to assist displaced homemakers - individuals who are not adequately employed and have been dependent on the income of another family member, but are no longer supported by such income. To qualify for the Displaced Homemaker Program, the individual must be 35 years of age or older, have worked in the home providing unpaid household services for family members or been dependent on federal assistance, and has had difficulty in securing adequate employment.¹ The Displaced Homemaker Program is funded through the Displaced Homemaker Trust Fund within the Department of Economic Opportunity (DEO). The trust fund is a depository for a portion of fees on both marriage license applications and dissolution of marriage filings; \$7.50² and \$12.50³ respectively. The Trust Fund can also receive funds from other public or private sources.⁴

Present Situation

During Fiscal Year 2015-16, Florida enrolled 386 participants in the Displaced Homemaker Program.⁵ As the state fiscal entity, DEO is required to enter into contracts with public and nonprofit private entities. Those entities are then responsible for establishing multi-purpose programs aimed at enhancing self-sufficiency through employment and training. The programs assist participants in attaining independence, economic security and self-sufficiency and include counseling, career interest and assessment testing, resume and job search assistance, career planning and placement services, interviewing and skills training and case management. These services, however, are also offered to all Floridians through Florida's 24 local CareerSource Networks which have 106 career centers located throughout the state. These services include: employment and career resources; testing and assessments; employment search skills; career development seminars; resume/interview preparation; job-matching referrals; access to local, state and national salary and labor market information; education and training programs; financial aid information and screening for training programs; scholarship and training information; and computer, fax, telephone and copy services.

DEO monitors contract performance toward meeting participant enrollment, program completion and job placement numbers. In Fiscal Year 2015-16, the program met 83 percent of its projected enrollments, 77 percent of its projected program completions and 42 percent of its projected job placements.⁶ To further enhance the program and ensure the attainment of projected goals with a focus on placement into employment, program contractors provide training on career services and assistance in leveraging the resources of their local career centers which include the local CareerSource Networks.

DEO has also been working to increase the number of program contractors throughout the state. For Fiscal Year 2014-15, there were only three contracts awarded under the Displaced Homemaker Program: the Centre for Women, Inc., Santa Fe State College and the Women's Resource Center of Sarasota County.⁷ To increase the statewide coverage and availability of the program, DEO initiated a new procurement for Fiscal Year 2015-16. This procurement resulted in awards to two additional

¹ <http://www.floridajobs.org/office-directory/division-of-workforce-services/workforce-programs/displaced-homemaker-program>

² Section 741.01, Florida Statutes

³ Section 28.101, Florida Statutes

⁴ Section 446.50, Florida Statutes

⁵ The Department of Economic Opportunity's 2015-16 Annual Report available at http://www.floridajobs.org/docs/default-source/reports-and-legislation/2016_deoannualreport.pdf?sfvrsn=4

⁶ *Id*

⁷ *Id*

contractors, Deaf and Hard of Hearing Services of the Emerald Coast, Inc. and South Brevard Women's Center.⁸

- The Centre for Women, Inc. serves Hillsborough and Pinellas Counties. In its second year of operations, the contractor was awarded \$260,467 to enroll 187 participants and place 42 of those participants in jobs. As of June 30, 2016, the contractor had enrolled 47 percent of its projected number of participants and placed 65 percent of its planned participants in jobs.⁹
- Santa Fe State College serves Alachua, Bradford, Columbia, Gilchrist, Levy and Putnam Counties. In its second year of operations, the contractor was awarded \$165,915 to enroll 90 participants and place 42 of those participants in jobs. As of June 30, 2016, the contractor had enrolled 100 percent of its projected number of participants and placed 83 percent of its planned participants in jobs.¹⁰
- The Women's Resource Center of Sarasota County serves Manatee and Sarasota Counties. In its second year of operations, the contractor was awarded \$87,136 to enroll 95 participants and place 95 of those participants in jobs. As of June 30, 2016, the contractor had enrolled 95 percent of its projected number of participants and placed 11 percent of its planned participants in jobs.¹¹
- Deaf and Hard of Hearing Services of the Emerald Coast, Inc. serve Escambia, Okaloosa, Santa Rosa and Walton Counties. In its first year of operations, the contractor was awarded \$102,012 to enroll 50 participants and place 26 of those participants in jobs. As of June 30, 2016, the contractor had enrolled 102 percent of its projected number of participants and placed four percent of its planned participants in jobs.¹²
- South Brevard Women's Center serves Brevard County. In its first year of operations, the contractor was awarded \$54,000 to enroll 45 participants and place 15 of those participants in jobs. As of June 30, 2016, the contractor had enrolled 149 percent of its projected number of participants and placed 93 percent of its planned participants in jobs.¹³

Recent Displaced Homemaker Program Funding History

| Fiscal Year | Appropriation | Funds Expended |
|-------------|---------------|----------------|
| 2014-15 | \$2,000,000 | \$7,766 |
| 2015-16 | \$2,000,000 | \$452,723 |
| 2016-17* | \$2,000,000 | \$379,997 |

*Fiscal Year is not yet complete and additional expenditures may take place.

As indicated in DEO's Fiscal Year 2015-16 Annual Report, the department has been working to increase the number of program contractors throughout the state to provide services. However, DEO continues to face challenges in receiving bids from entities to provide services through this program, and is unable to fully utilize annual appropriations. One observation offered by the department for this challenge is the population served through the Displaced Homemaker Program is also served through the local career centers of the CareerSource Networks, which highlights the duplication and overlap of services being offered to the targeted population.¹⁴ The CareerSource Networks, through the Regional Workforce Boards, are provided a recurring annual appropriation through the General Appropriations Act of \$283,359,445.

⁸ The Department of Economic Opportunity's 2015-16 Annual Report available at http://www.floridajobs.org/docs/default-source/reports-and-legislation/2016_deoannualreport.pdf?sfvrsn=4

⁹ *Id*

¹⁰ *Id*

¹¹ *Id*

¹² *Id*

¹³ *Id*

¹⁴ Proctor, Cissy. "FY 2017-18 Priority Listing of Agency Budget Issues for Possible Reduction" Presentation at the House Transportation & Tourism Appropriations Subcommittee, Tallahassee, FL, January 25, 2017. Accessed February 24, 2017.

Effect of Proposed Changes

The bill repeals the Displaced Homemaker Program.

Eligible program participants may still access services through any of the 106 CareerSource centers located throughout the state that are already utilized by the contracting entities under the Displaced Homemaker Program. The centers will continue to offer these same services: employment and career resources; testing and assessments; employment search skills; career development seminars; resume/interview preparation; job-matching referrals; access to local, state and national salary and labor market information; education and training programs; financial aid information and screening for training programs; scholarship and training information; and computer, fax, telephone and copy services.

The bill terminates the Displaced Homemaker Trust Fund. The bill further eliminates a portion of fees that provided revenue for the program by reducing the surcharge on marriage license applications by \$7.50. The fee for the issuance of a marriage license will be reduced from \$59.50¹⁵ to \$52.00.

The bill redirects \$12.50 of the fees on dissolution of marriage filings to be deposited in the General Revenue Fund instead of the Displaced Homemaker Trust Fund, which is being terminated. According to the Revenue Estimating Conference, which met on February 16, 2017, those redirected fees for Fiscal Year 2017-18 are estimated to be \$800,000.

B. SECTION DIRECTORY:

Section 1: Disposition of the Displaced Homemaker Trust Fund balance.

Section 2: Repeals s. 446.50, F.S.

Section 3: Repeals s. 446.51, F.S.

Section 4: Repeals s. 446.52, F.S.

Section 5: Repeals s. 1010.84, F.S.

Section 6: Amends s. 20.60, F.S.

Section 7: Amends s. 28.101, F.S.

Section 8: Amends s. 187.201, F.S.

Section 9: Amends s. 445.003, F.S.

Section 10: Amends s. 445.004, F.S.

Section 11: Amends s. 741.01, F.S.

Section 12: Amends s. 741.011, F.S.

Section 13: Provides for an effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

The reduction of the fee under s. 741.01, F.S., for the issuance of a marriage license from \$59.50 to \$52.00, is anticipated to have a negative recurring impact to state revenue of approximately \$1.2 million.

See fiscal comments.

2. Expenditures:

The bill amends statutes to conform to the funding decisions included in the proposed House General Appropriations Act for Fiscal Year 2017-18, relating to the Displaced Homemaker Program, which reflects an elimination of a \$2 million recurring appropriation.

¹⁵ Section 741.01, Florida Statutes
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B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The entities currently contracting with DEO to provide services through the Displaced Homemaker Program will no longer receive funding from the state under the program. These same services may be obtained through existing local CareerSource Centers.

D. FISCAL COMMENTS:

The bill redirects \$12.50 of the fees on dissolution of marriage filings to be deposited in the General Revenue Fund instead of the Displaced Homemaker Trust Fund, which is being terminated. According to the Revenue Estimating Conference, which met on February 16, 2017, those redirected fees for Fiscal Year 2017-18 are estimated to be \$800,000.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

None

2. Other:

None

B. RULE-MAKING AUTHORITY:

None

C. DRAFTING ISSUES OR OTHER COMMENTS:

None

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES