



Government Efficiency & Accountability Council

ACTION PACKET

Wednesday, March 19, 2008

9:45 AM – 11:15 AM

1:00 PM – 2:45 PM

Morris Hall (17 HOB)

COUNCIL MEETING REPORT
Government Efficiency & Accountability Council

3/19/2008 9:45:00AM

Location: Morris Hall (17 HOB)

Attendance:

	<i>Present</i>	<i>Absent</i>	<i>Excused</i>
Frank Attkisson (Chair)	X		
Carl Domino	X		
Greg Evers	X		
Andy Gardiner	X		
Joseph Gibbons	X		
Eduardo Gonzalez	X		
Michael Grant	X		
Ed Homan	X		
Stan Jordan	X		
Matthew Meadows	X		
Julio Robaina	X		
Franklin Sands	X		
Robert Schenck			X
Michael Scionti	X		
Darren Soto	X		
Geraldine Thompson	X		
Totals:	15	0	1

Committee meeting was reported out: Wednesday, March 19, 2008 7:25:50PM

COUNCIL MEETING REPORT
Government Efficiency & Accountability Council

3/19/2008 9:45:00AM

Location: Morris Hall (17 HOB)

HB 129 : Just Valuation of Property

	Yea	Nay	No Vote	Absentee	
				Yea	Nay
<input checked="" type="checkbox"/> Favorable with Council Substitute					
Carl Domino	X				
Greg Evers	X				
Andy Gardiner			X		
Joseph Gibbons	X				
Eduardo Gonzalez			X		
Michael Grant	X				
Ed Homan	X				
Stan Jordan	X				
Matthew Meadows	X				
Julio Robaina	X				
Franklin Sands	X				
Robert Schenck			X		
Michael Scionti	X				
Darren Soto	X				
Geraldine Thompson	X				
Frank Attkisson (Chair)	X				
Total Yeas: 13		Total Nays: 0			

Appearances:

Just Valuation of Property

Loren Levy, General Counsel (Lobbyist) - Opponent

Property Appraisers' Association of Fla.

1828 Riggins Lane

Tallahassee FL 32308

Phone: 850-219-0220

Just Valuation of Property

Jim Overton, Duval County Property Appraiser - Opponent

Florida Association of Property Appraisers

231 E. Forsyth Street

Jacksonville FL 32202

Phone: 904-630-2014

Just Valuation of Property

Bill Donegan, Orange County Property Appraiser - Opponent

Orange County Property Appraiser's Office

200 S. Orange Ave.

Orlando FL 32801

Phone: 407-836-5911

Committee meeting was reported out: Wednesday, March 19, 2008 7:25:50PM

COUNCIL MEETING REPORT
Government Efficiency & Accountability Council

3/19/2008 9:45:00AM

Location: Morris Hall (17 HOB)

Just Valuation of Property

Tray Price, Public Policy Representative (Lobbyist) - Proponent

Florida Association of Realtors

200 S. Monroe St.

Tallahassee FL 32301

Phone: 850-224-1400

Committee meeting was reported out: Wednesday, March 19, 2008 7:25:50PM

COUNCIL MEETING REPORT
Government Efficiency & Accountability Council

3/19/2008 9:45:00AM

Location: Morris Hall (17 HOB)

HB 177 : Proposed Property Tax Notices

Favorable

	<i>Yea</i>	<i>Nay</i>	<i>No Vote</i>	<i>Absentee Yea</i>	<i>Absentee Nay</i>
Carl Domino			X		
Greg Evers	X				
Andy Gardiner			X		
Joseph Gibbons	X				
Eduardo Gonzalez			X		
Michael Grant	X				
Ed Homan				X	
Stan Jordan	X				
Matthew Meadows	X				
Julio Robaina	X				
Franklin Sands	X				
Robert Schenck			X		
Michael Scionti	X				
Darren Soto	X				
Geraldine Thompson	X				
Frank Attkisson (Chair)			X		
Total Yeas: 10 Total Nays: 0					

Committee meeting was reported out: Wednesday, March 19, 2008 7:25:50PM

COUNCIL MEETING REPORT
Government Efficiency & Accountability Council

3/19/2008 9:45:00AM

Location: Morris Hall (17 HOB)

HB 211 : Special Districts

Favorable with Council Substitute

	<i>Yea</i>	<i>Nay</i>	<i>No Vote</i>	<i>Absentee Yea</i>	<i>Absentee Nay</i>
Carl Domino			X		
Greg Evers	X				
Andy Gardiner	X				
Joseph Gibbons			X		
Eduardo Gonzalez			X		
Michael Grant	X				
Ed Homan				X	
Stan Jordan	X				
Matthew Meadows	X				
Julio Robaina			X		
Franklin Sands	X				
Robert Schenck			X		
Michael Scionti	X				
Darren Soto	X				
Geraldine Thompson	X				
Frank Attkisson (Chair)	X				
Total Yeas: 10		Total Nays: 0			

Committee meeting was reported out: Wednesday, March 19, 2008 7:25:50PM

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. 1 (for drafter's use only)

Bill No. 211

COUNCIL/COMMITTEE ACTION

ADOPTED (Y/N)
ADOPTED AS AMENDED (Y/N)
ADOPTED W/O OBJECTION (Y/N)
FAILED TO ADOPT (Y/N)
WITHDRAWN (Y/N)
OTHER _____

1 Council/Committee hearing bill: Government Efficiency and
2 Accountability Council

3 Representative(s) Lopez-Cantera offered the following:

4
5 **Amendment (with title amendment)**

6 Remove everything after the enacting clause and insert:

7
8 Section 1. Subsection (3) of section 170.01, Florida
9 Statutes, is amended to read:

10 170.01 Authority for providing improvements and levying
11 and collecting special assessments against property benefited.--

12 (3) Any municipality, subject to the approval of a
13 majority of the affected property owners who actually vote in
14 the required vote, may levy and collect special assessments
15 against property benefited for the purpose of stabilizing and
16 improving:

- 17 (a) Retail business districts,
18 (b) Wholesale business districts, or
19 (c) Nationally recognized historic districts,

20
21 or any combination of such districts, through promotion,
22 management, marketing, and other similar services in such

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

23 districts of the municipality. This subsection does not
24 authorize a municipality to use bond proceeds to fund ongoing
25 operations of these districts. Any municipality may determine
26 in its resolution required to declare special assessments,
27 pursuant to s. 170.03, that the vote of affected property owners
28 shall be conducted either: by voting by tax folio numbers of
29 affected properties; or by voting by total square footage of the
30 affected properties.

31 Section 2. Subsection (1) of section 189.403, Florida
32 Statutes, is amended to read:

33 189.403 Definitions.--As used in this chapter, the term:

34 (1) "Special district" means a local unit of special
35 purpose, as opposed to general-purpose, government within a
36 limited boundary, created by general law, special act, local
37 ordinance, or by rule of the Governor and Cabinet. The special
38 purpose or purposes of special districts are implemented by
39 specialized functions and related prescribed powers. For the
40 purpose of ss. 196.199(1) and 282.104, special districts shall
41 be treated as municipalities. The term does not include a school
42 district, a community college district, a special improvement
43 district created pursuant to s. 285.17, a municipal service
44 taxing or benefit unit as specified in s. 125.01, or a board
45 which provides electrical service and which is a political
46 subdivision of a municipality or is part of a municipality.

47 Section 3. Section 189.4221, Florida Statutes, is created
48 to read:

49 189.4221 .-- Purchases from purchasing agreements of
50 special districts, municipalities, or counties.--Special
51 districts may purchase commodities and contractual services from
52 purchasing agreements of other special districts,
53 municipalities, or counties procured pursuant to competitive

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

54 bid, requests for proposals, requests for qualifications,
55 competitive selection, or competitive negotiations, and
56 otherwise in compliance with general law.

57 Section 4. Subsection (2) of section 191.009, Florida
58 Statutes, is amended to read:

59 191.009 Taxes; non-ad valorem assessments; impact fees and
60 user charges.--

61 (2) NON-AD VALOREM ASSESSMENTS.--A district may levy non-
62 ad valorem assessments as defined in s. 197.3632 to construct,
63 operate, and maintain district facilities and services. The rate
64 of such assessments must be fixed by resolution of the board
65 pursuant to the procedures contained in s. 191.011. Non-ad
66 valorem assessment rates set by the board may exceed the maximum
67 rates established by special act, county ordinance, or the
68 previous year's resolution, or referendum in an amount not to
69 exceed the average annual growth rate in Florida personal income
70 over the previous 5 years. Non-ad valorem assessment rate
71 increases within the personal income threshold are deemed to be
72 within the maximum rate authorized by law at the time of initial
73 imposition. Proposed non-ad valorem assessment increases which
74 exceed the rate set the previous fiscal year or the rate
75 previously set by special act or county ordinance, whichever is
76 more recent, by more than the average annual growth rate in
77 Florida personal income over the last 5 years, or the first-time
78 levy of non-ad valorem assessments in a district, must be
79 approved by a supermajority vote of the board.~~referendum of the~~
80 ~~electors of the district.~~ The referendum on the first-time levy
81 of an assessment shall include a notice of the future non-ad
82 valorem assessment rate increases permitted by this act without
83 a referendum. Non-ad valorem assessments shall be imposed,
84 collected, and enforced pursuant to s. 191.011.

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

85 Section 5. Severability. If any provision of this act is
86 held invalid such invalidity shall not affect the other
87 provisions or applications hereof that can be given effect
88 without causing the invalid provision or application and to this
89 end provisions of this act are severable.

90 Section 6. This act shall take effect July 1, 2008.
91
92
93
94

95
96 **T I T L E A M E N D M E N T**

97 Remove the entire title and insert:

98 An act relating to municipal and special districts; amending s.
99 170.01(3), F.S.; authorizing approval of assessment by majority
100 of those voting; authorizing vote by tax folio numbers or total
101 square footage of affected properties; amending s. 189.403(1),
102 F.S.,; authorizing use of SUNCOM by special districts; creating
103 s. 189.4221, F.S.; authorizing special districts to purchase
104 commodities and contractual services from purchasing agreements
105 of other special districts, municipalities, or counties;
106 amending s. 191.009, F.S.; revising non-ad valorem voting
107 requirements for certain special districts; providing
108 severability; providing an effective date.

109
110

COUNCIL/COMMITTEE ACTION

ADOPTED _____ (Y/N)
ADOPTED AS AMENDED _____ (Y/N)
ADOPTED W/O OBJECTION (Y/N)
FAILED TO ADOPT _____ (Y/N)
WITHDRAWN _____ (Y/N)
OTHER _____

Non-amended

1 Council/Committee hearing bill: Government Efficiency &
2 Accountability Council

3 Representative ~~Machek~~ **GRANT** offered the following:

4 **Amendment to Amendment (1) by Representative Lopez-Cantera**

5 Remove line(s) 68-83 and insert:

6 previous year's resolution, ~~or referendum~~ in an amount not to
7 exceed the average annual growth rate in Florida personal income
8 over the previous 5 years. Non-ad valorem assessment rate
9 increases within the personal income threshold are deemed to be
10 within the maximum rate authorized by law at the time of initial
11 imposition. Proposed non-ad valorem assessment increases which
12 exceed the rate set the previous fiscal year or the rate
13 previously set by special act or county ordinance, whichever is
14 more recent, by more than the average annual growth rate in
15 Florida personal income over the last 5 years, or the first-time
16 levy of non-ad valorem assessments in a district, must be
17 approved by a supermajority vote of the board. ~~referendum of the~~
18 ~~electors of the district. The referendum on the first time levy~~
19 ~~of an assessment shall include a notice of the future non ad~~
20 ~~valorem assessment rate increases permitted by this act without~~
21 ~~a referendum.~~ Non-ad valorem assessments shall be imposed,

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

Bill No. 211

COUNCIL/COMMITTEE ACTION

ADOPTED ___ (Y/N)
ADOPTED AS AMENDED ___ (Y/N)
ADOPTED W/O OBJECTION ___ (Y/N)
FAILED TO ADOPT ___ (Y/N)
WITHDRAWN (Y/N)
OTHER _____

1 Council/Committee hearing bill: Government Efficiency and
2 Accountability Council
3 Representative(s) Machek offered the following:
4

Amendment (with title amendment)

Between line(s) 9-10 insert:

7 Section 1. Subsection (1) of section 189.403, Florida
8 Statutes, is amended to read:

9 189.403 Definitions.--As used in this chapter, the term:

10 (1) "Special district" means a local unit of special
11 purpose, as opposed to general-purpose, government within a
12 limited boundary, created by general law, special act, local
13 ordinance, or by rule of the Governor and Cabinet. The special
14 purpose or purposes of special districts are implemented by
15 specialized functions and related prescribed powers. For the
16 purpose of ss. 196.199(1) and 282.104, special districts shall
17 be treated as municipalities. The term does not include a school
18 district, a community college district, a special improvement
19 district created pursuant to s. 285.17, a municipal service
20 taxing or benefit unit as specified in s. 125.01, or a board

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

21 | which provides electrical service and which is a political
22 | subdivision of a municipality or is part of a municipality.

23 |

24 |

25 | -----

26 |

T I T L E A M E N D M E N T

27 |

Remove line 2 and insert:

28 |

An act relating to special districts; amending s. 189.403, F.S.;

29 |

authorizing use of SUNCOM by special districts; creating s.

30 |

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

Bill No. 211

COUNCIL/COMMITTEE ACTION

ADOPTED	___	(Y/N)
ADOPTED AS AMENDED	___	(Y/N)
ADOPTED W/O OBJECTION	___	(Y/N)
FAILED TO ADOPT	___	(Y/N)
WITHDRAWN	<u>✓</u>	(Y/N)
OTHER	_____	

1 Council/Committee hearing bill: Government Efficiency and
 2 Accountability Council
 3 Representative Machek offered the following:

Amendment (title amendment)

Between line(s) 19-20 insert:

Section 2. Subsection (2) of section 191.009, Florida Statutes, is amended to read:

191.009 Taxes; non-ad valorem assessments; impact fees and user charges.--

(2) NON-AD VALOREM ASSESSMENTS.--A district may levy non-ad valorem assessments as defined in s. 197.3632 to construct, operate, and maintain district facilities and services. The rate of such assessments must be fixed by resolution of the board pursuant to the procedures contained in s. 191.011. Non-ad valorem assessment rates set by the board may exceed the maximum rates established by special act, county ordinance, or the previous year's resolution, or referendum in an amount not to exceed the average annual growth rate in Florida personal income over the previous 5 years. Non-ad valorem assessment rate increases within the personal income threshold are deemed to be

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

22 within the maximum rate authorized by law at the time of initial
23 imposition. Proposed non-ad valorem assessment increases which
24 exceed the rate set the previous fiscal year or the rate
25 previously set by special act or county ordinance, whichever is
26 more recent, by more than the average annual growth rate in
27 Florida personal income over the last 5 years, or the first-time
28 levy of non-ad valorem assessments in a district, must be
29 approved by a supermajority vote of the board. ~~referendum of the~~
30 ~~electors of the district. The referendum on the first-time levy~~
31 ~~of an assessment shall include a notice of the future non-ad~~
32 ~~valorem assessment rate increases permitted by this act without~~
33 ~~a referendum.~~ Non-ad valorem assessments shall be imposed,
34 collected, and enforced pursuant to s. 191.011.

T I T L E A M E N D M E N T

37
38 Remove line(s) 6-6 and insert:
39 counties; amending s. 191.009, F.S.; revising non-ad valorem
40 voting requirements for certain special districts; providing an
41 effective date.
42

COUNCIL MEETING REPORT
Government Efficiency & Accountability Council

3/19/2008 9:45:00AM

Location: Morris Hall (17 HOB)

HB 399 : Financial Management by Local Governments

Favorable with Council Substitute

	Yea	Nay	No Vote	Absentee Yea	Absentee Nay
Carl Domino	X				
Greg Evers	X				
Andy Gardiner	X				
Joseph Gibbons			X		
Eduardo Gonzalez	X				
Michael Grant	X				
Ed Homan			X		
Stan Jordan	X				
Matthew Meadows	X				
Julio Robaina	X				
Franklin Sands			X		
Robert Schenck			X		
Michael Scionti	X				
Darren Soto	X				
Geraldine Thompson	X				
Frank Attkisson (Chair)	X				
Total Yeas: 12 Total Nays: 0					

Appearances:

Financial Management by Local Governments

Todd Bonlarron, Legislative Affairs Director (Lobbyist) - Opponent

Palm Beach County
 301 N. Olive Ave.
 West Palm Beach FL 33401
 Phone: 561-355-3451

Financial Management by Local Governments

Amanda Ghaffari, Legislative Advocate (Lobbyist) - Opponent

Florida Association of Counties
 100 South Monroe St.
 Tallahassee FL
 Phone: 850-922-4300

Financial Management by Local Governments

Fred Baggett, General Counsel (Lobbyist) - Proponent

Florida Association of Court Clerks
 101 E. College Ave.
 Tallahassee FL
 Phone: 850-425-8512

Committee meeting was reported out: Wednesday, March 19, 2008 7:25:50PM

COUNCIL/COMMITTEE ACTION

ADOPTED ___ (Y/N)
ADOPTED AS AMENDED ___ (Y/N)
ADOPTED W/O OBJECTION ✓ (Y/N)
FAILED TO ADOPT ___ (Y/N)
WITHDRAWN ___ (Y/N)
OTHER _____

1 Council/Committee hearing bill: Government Efficiency &
2 Accountability Council

3 Representative Grant offered the following:

4 **Amendment to Amendment (1) by Representative Grant**

5 Remove line(s) 14-19 and insert:

6 Section 2. Section 116.075, Florida Statutes, is created
7 to read:

8 116.075 Clerk as county auditor.--When not otherwise
9 provided by county charter or special law approved by vote of
10 the electors, the Clerk of the Circuit Court, as county auditor,
11 shall prepare the annual financial report of the county as
12 required by s. 218.32, F.S., and may perform such reviews and
13 tests as necessary to determine the adequacy of internal
14 controls and compliance with contracts, applicable laws, and
15 rules.

16 -----
17 **T I T L E A M E N D M E N T**

18 Remove line 43 and insert:
19 authorizing the county auditor to perform certain reviews and
20

COUNCIL MEETING REPORT
Government Efficiency & Accountability Council

3/19/2008 9:45:00AM

Location: Morris Hall (17 HOB)

HJR 421 : Transfer of Save-Our-Homes Benefits; Additional Homestead Exemption

<input checked="" type="checkbox"/> Favorable with Council Substitute	Yea	Nay	No Vote	Absentee Yea	Absentee Nay
Carl Domino	X				
Greg Evers	X				
Andy Gardiner			X		
Joseph Gibbons	X				
Eduardo Gonzalez			X		
Michael Grant	X				
Ed Homan				X	
Stan Jordan	X				
Matthew Meadows	X				
Julio Robaina	X				
Franklin Sands	X				
Robert Schenck			X		
Michael Scionti	X				
Darren Soto	X				
Geraldine Thompson	X				
Frank Attkisson (Chair)	X				
Total Yeas: 12	Total Nays: 0				

Appearances:

Transfer of Save-Our-Homes Benefits
 Tray Price, Public Policy Representative (Lobbyist) - Proponent
 Florida Association of Realtors
 200 S. Monroe St.
 Tallahassee FL 32301
 Phone: 850-224-1400

Transfer of Save-Our-Homes Benefits
 Hazelle Rogers, City Commissioner - Proponent
 4300 N.W. 36 Ave.
 Lauderdale Lakes FL 33311
 Phone: 954-535-2730

Transfer of Save-Our-Homes Benefits
 Douglas Buck (Lobbyist) - Proponent
 Florida Home Builders Assoc.
 201 East Park Ave.
 Tallahassee FL 32301

Committee meeting was reported out: Wednesday, March 19, 2008 7:25:50PM

COUNCIL/COMMITTEE ACTION

ADOPTED	—	(Y/N)
ADOPTED AS AMENDED	—	(Y/N)
ADOPTED W/O OBJECTION	<input checked="" type="checkbox"/>	(Y/N)
FAILED TO ADOPT	—	(Y/N)
WITHDRAWN	—	(Y/N)
OTHER	_____	

1 Council/Committee hearing bill: Government Efficiency &
2 Accountability Council
3 Representative(s) Simmons offered the following:
4

5 **Amendment to Amendment(with schedule and ballot amendments)**

6 Remove line(s) 42-47 and insert:

7 additional homestead exemption in an amount equal to forty
8 percent (40%) of the homestead's just value between seventy-five
9 thousand dollars and five hundred thousand dollars. The
10 additional exemption shall apply only after the first seventy
11 five thousand dollars of just value of the

12
13
14 -----
15 **SCHEDULE AMENDMENT**

16 Remove line(s) 119-121 and insert:

17 providing an additional homestead exemption in an amount equal
18 to forty percent (40%)of the homestead's just value between
19 seventy-five thousand dollars and five hundred thousand dollars.

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

20 The additional exemption shall apply only after the first
21 seventy five thousand dollars of just value of the
22

23

24

25

26

B A L L O T A M E N D M E N T

27

Remove line(s) 136-138 and insert:

28

provide for an additional homestead exemption in an amount equal

29

to 40 percent of the homestead's just value between \$75,000 and

30

\$500,000 or the accumulated benefit

31

32

33

34

COUNCIL MEETING REPORT
Government Efficiency & Accountability Council

3/19/2008 9:45:00AM

Location: Morris Hall (17 HOB)
HB 595 : Property Appraisers

Favorable with Council Substitute

	<i>Yea</i>	<i>Nay</i>	<i>No Vote</i>	<i>Absentee Yea</i>	<i>Absentee Nay</i>
Carl Domino	X				
Greg Evers	X				
Andy Gardiner			X		
Joseph Gibbons	X				
Eduardo Gonzalez			X		
Michael Grant	X				
Ed Homan	X				
Stan Jordan	X				
Matthew Meadows	X				
Julio Robaina	X				
Franklin Sands	X				
Robert Schenck			X		
Michael Scionti	X				
Darren Soto	X				
Geraldine Thompson	X				
Frank Attkisson (Chair)	X				
Total Yeas: 13		Total Nays: 0			

Appearances:

Property Appraisers
 Bill Doregan, Property Appraiser - Information Only
 Property Appraiser Office
 200 S. Orange Ave.
 Orlando FL 32801
 Phone: 407-836-5911

Committee meeting was reported out: Wednesday, March 19, 2008 7:25:50PM

COUNCIL MEETING REPORT
Government Efficiency & Accountability Council

3/19/2008 9:45:00AM

Location: Morris Hall (17 HOB)

PCB GEAC 08-13 : Administrative Procedures

Temporarily Deferred

Committee meeting was reported out: Wednesday, March 19, 2008 7:25:50PM

COUNCIL MEETING REPORT
Government Efficiency & Accountability Council

3/19/2008 9:45:00AM

Location: Morris Hall (17 HOB)

Summary:

Government Efficiency & Accountability Council

Wednesday March 19, 2008 09:45 am

HB 129	Favorable with Council Substitute	Yeas: 13	Nays: 0
HB 177	Favorable	Yeas: 10	Nays: 0
HB 211	Favorable with Council Substitute	Yeas: 10	Nays: 0
HB 399	Favorable with Council Substitute	Yeas: 12	Nays: 0
HJR 421	Favorable with Council Substitute	Yeas: 12	Nays: 0
HB 595	Favorable with Council Substitute	Yeas: 13	Nays: 0
PCB GEAC 08-13	Temporarily Deferred		

Committee meeting was reported out: Wednesday, March 19, 2008 7:25:50PM



Proposed Recurring Budget Reductions

For

Fiscal Year 2008-2009

1. Recurring Supplemental Transfer to EETF
- \$2 Million (*would handle as non-operating transfer like all other transferred funds*)
2. Scratch-Off Vendor Fees - \$11.9 M
(*ITN responses in the process of being evaluated.*)

Department of Revenue
FY 2008-09 Budget Reduction Proposals - House of Representatives
March 19, 2008
10% Target Amount: \$20.4M GR

Issue #	FTE	Recurring General Revenue	Recurring Trust Fund Amount	Statute Change Required?	Issue	Impact
1		(310,171)	310,171		Transfer cost of 3rd floor at Southwood from GTA to CSE	The department is currently leasing a building at Southwood with 3 floors. CSE is utilizing most of the 3rd floor space, but lease costs are charged to GTA. Cost can be transferred from GTA to CSE. The transfer of costs to CSE allows the state to maximize federal funding.
2		(306,376)			Co-locate Tallahassee locations at Capitol Complex; eliminate Annex lease; close two out-of-state service centers.	Co-locate Tallahassee Allen Road office at Capitol Complex; eliminate Allen Road, Taxworld Annex lease; close two out-of-state service centers. There may be contract issues, as well as increase in some travel costs.
3		(9,000)			Reduce Expense (APQC Membership)	Discontinuation of this resource will have minimal impact on services as other resources are available at a lower cost. This issue eliminates a subscription fee paid by DOR with the American Productivity & Quality Center for productivity services.
4		(35,000)			Printing, Postage & Mailing reduction related to DR-219	Department recommends eliminating the DR-219 in mitigation strategies below. This would eliminate the remaining expense associated with the form.
5		(12,000)			Discontinue re-checking criminal history records	Criminal history checks will no longer be conducted on DOR employees upon movement to a new position within the department.
6		(9,266)			Reduction in PTO expense	Reduction in PTO travel expenditures.
7		(7,310)	(14,190)	Y - Proviso Language	Early lease cancellation - close CSE office located in Port St. Joe	Office Closing - Closing this office will have minimal impact on customers as Child Support Program staff would be available through a circuit rider schedule to assist customers. The 4 staff at this location will be housed at the Crestview service center to maximize FTE utilization. Proviso language would be necessary to terminate existing lease #730:0273 with Creek View Estates, which expires 07/31/2009.
8		(25,006)	(48,541)	Y - Proviso Language	Early lease cancellation - close CSE office located in Belle Glade	Office Closing - Closing this office will have minimal impact on customers as Child Support Program staff would be available at the local Department of Children and Families office to assist customers. The 6 staff at this location are currently being transferred to the West Palm Beach CSE service center to maximize FTE utilization. Proviso language would be necessary to terminate existing lease #730:0286 with Hilldale Inc., which expires 06/30/2010.
9		(67,372)			Eliminate Pensacola office lease.	The 4 FTE assigned to this office will be merged into the Marianna office. Staff will telecommute from home and supported by the Marianna office.
10		(43,877)			Eliminate Leesburg office lease.	The 7 FTE assigned to this office will be merged with the Maitland office. Staff will telecommute from home and be supported by the Maitland office.
11		(17,000)			Reduce OPS in Executive Support	Reduction in development of training services to support agency goals and strategies
12		(200,000)			Reduce OPS Funding in GTA	Current activities conducted by OPS staff can be absorbed by full-time staff. Will cause some delays in processing checks.
13		(170,000)	(330,000)		Reduce two-thirds of CSE funding for consulting contracts	Reduces funding available to engage consultants for non-CAMS related analyses that arise during the year. In FY 2007-08, the CSE program funded a contract with Northrup-Gruman to study options for providing state disbursement unit (SDU) services in the future.
14		(600,000)			Replace contract staff with FTE in ISP	No operational impact. Workload that is currently handled by contracted staff (Contractual Services) will be transferred to FTE (Salary & Benefits). The net savings to the state will be \$600,000. Would require 15 new FTE to replace the contracted staff. This is the net savings to GR.
15	(7.5)	(327,686)			Eliminate Vacant Executive Support Positions	Vacant positions in Executive Support.
16	(22.0)	(1,142,625)			Eliminate positions in Executive Support and transfer to CSE and GTA	These positions will be transferred to other programs within the department utilizing existing vacant positions.
17	(30.5)	(955,491)	(456,753)		Eliminate 30.5 positions vacant for more than 300 days	Vacant positions throughout the department (13 in CSE, 12 in GTA, 2 in ISP, 3.5 in ASP/EXEC that have been vacant over 300 days).

Issue #	FTE	Recurring General Revenue	Recurring Trust Fund Amount	Statute Change Required?	Issue	Impact
18	(25.0)	(740,409)	(570,660)		Consolidation and reduction of field technical support staff	In today's technical environment , a more consolidated model is viable and cost effective. Based on technical and geographical evaluation, only 23 of 48 support staff would be required to maintain the current level of service. Criteria used - 1 Field technician needed per 300 users within a geographical region, DCSA will be program independent. There will be a limited impact on department's/program's ability to respond to remote technical infrastructure issues. Moderate impact to other non technical duties currently support by this staff.
19		(4,282)	(8,312)		Eliminate funding for CSE calendars	Eliminates funding to publish the Child Support Enforcement Program calendar annually. The calendar is part of the Program's outreach and provides business partners and customers information concerning the Title IV-D Child Support Program.
20		(133,110)	(258,390)		Reduction in Public Awareness Campaign in CSE	Reduces funding for the Child Support Enforcement Program federally required public awareness outreach. The intent of the program is to increase public awareness, which would result in increased compliance and cooperation and potentially reduce calls from customers. The Program received approximately \$808K in FY 2005-06 as the result of a Governor's initiative. \$250K was reduced in FY 2007-08 as part of a Program reduction due to the Deficit Reduction Act. There was no funding for this activity prior to FY 2005-06.
21		(105,000)		Y	Eliminate forms budget in PTO	Impact to Counties - The department provides property tax forms to small counties with populations of 100,000 or less. This would shift the expense to counties.
22	(10.0)	(405,642)		Y	Reduce electronic filing threshold from \$20,000 to \$10,000 annual tax liability for sales tax filers.	This change will increase the number of taxpayers required to file electronically by 33,000. For the remaining 80% there will likely be some hardship since some of these taxpayers may not have the necessary equipment / technical expertise to conduct such transactions electronically. This increase in electronic filing will reduce the number tax returns filed late, errors, billing notices, and the associate follow-up collection activities. This will reduce "downstream" staff by 10 FTE's with no loss in service.
23	(8.0)	(396,997)			Eliminate vacant positions.	This reduction will require the program to eliminate vacant positions. Lower staffing levels will lower levels of service provided to county property appraisers, tax collectors, and program priorities that ensure equity and uniformity of tax rolls.
24		(39,780)	(77,220)		Reduce private service of process by private vendors by 15%	Reduces funding for service of process by private vendors for the legal service providers. Shifts service of process to Sheriffs resulting in a possible decline of service of process for hard to serve cases.
25	(11.0)	(997,600)			Eliminate procedural reviews.	This is a relatively new program that is not fully institutionalized. This effort is important to verify the accuracy and completeness of the property appraiser's records to assure equity and uniformity. This includes the elimination of 11 filled FTE and a reorganization of staff.
26		(3,816,612)	3,816,612		Local Discretionary Sales Tax Fund Shift to Admin TF	This fund shift would allow the agency to recover costs of collecting the Discretionary Sales Tax surcharge for local governments prior to distribution. The agency has not met the current statutorily authorized assessment rate that can be assessed.
27		(100,000)	100,000		Police/Firefighter Fund Shift to Admin TF	Pursuant to s.175.1015(4), the department is permitted to recover administrative costs for distribution of the firefighter pension fund insurance tax. S.285.085(4), F.S, provides identical authority to recover costs in the police pension fund insurance tax. This issue shifts GR to Admin Trust Fund.
28		(75,000)			Eliminate mapping grants in PTO	The department provides maps to counties for GIS mapping. This would shift the expense to the counties.
29		(136,000)	(264,000)		Reduction in CSE Contracts - OAG, OSCA	These are legal service contracts with the Office of Attorney General and Office of the State Courts Administrator partner services in support of the Title IV-D Child Support Program. This reduction is based on historical reversions.

Issue #	FTE	Recurring General Revenue	Recurring Trust Fund Amount	Statute Change Required?	Issue	Impact
30		(200,000)	200,000	Y	Training Positions Fund Shift to Local Aid & Assistance TF	The department conducts educational activities to upgrade assessment skills and collection skills for local government officials. This issue fund shifts these positions from GR to trust funds.
31		(876,266)	876,266	Y	Aerial Photography Fund Shift to Local Aid & Assistance TF	The department prescribes and furnishes aerial photographs to the property appraisers as necessary to ensure that all real property within the state is properly listed on the roll. Department would continue to provide aerial photography for small counties with populations of 25,000 or less. For counties with a population greater than 25,000, the department will furnish photography at the property appraisers' expense.
32		(34,000)	(66,000)		Miami-Dade County - Reduce the Office of the State Attorney, 11th Judicial Circuit contract funding	Minimal Impact - Reduces funding for the Miami-Dade Office of the State Attorney and will have minimal operational impact on the contractual child support enforcement services this office provides. The total contract is \$21.6M
33		(13,382)	(25,977)		Reduce Manatee County contract in CSE	Reduces funding for the Manatee Clerk of Court Child Support Division and would equate to a 1% reduction for a relatively small office. The total contract is \$3.5M.
34		(204,261)	(396,507)		In source New Hire Contract in CSE - Add 5 FTE and reduce Contractual Services	Terminates contract with the vendor currently providing the service. A net savings would be realized by the Program assuming this workload; however, the Program would require 5 FTE to administer the federally required activity. Implementation would require one-time programming costs as well as recurring system hosting costs which must be determined. This is the net savings.
35		(52,212)	(101,353)		Reduce Florida Association of Court Clerks Contract	Reduces funding by 25% for Florida Association of Court Clerks (FACC) project management overhead, which was originally established for management of the State Disbursement Unit (SDU). The total contract with FACC is \$4.2M. This reduces the overall FACC contract by 3.6%. The SDU vendor now reports directly to the Department and oversight is provided by the Department. Support would still be provided for the CSE Local Entity Repository Collection system (CLERC system) per statute.
36		(996,200)	(1,933,800)	Y - Proviso Language	Reduce ACS State Disbursement Unit contract: Mandatory Electronic Disbursement	<p>This is a reduction to the contract with ACS for the State Disbursement Unit. The State Disbursement Unit receipts and disburses child support for all Title IV-D and some Non-Title IV-D child support cases as required by federal law. In 2007, the Department and ACS implemented a voluntary electronic disbursement program, which provides custodial parents the ability to receive child support payment via direct deposit or debit card versus paper checks. ACS implemented the electronic disbursement program at no additional cost to the State. The contract with ACS is a fixed-fee contract and has not been adjusted to reflect any cost savings from decreased postage and check printing and mailing sub-contractor costs. There is pending legislation (CS/SB 1152) that will mandate electronic disbursement for all payments due to custodial parents.</p> <p>This issue reduces the contract amount with ACS by \$2.93M to reflect the estimated postage and check production sub-contractor savings from full implementation of mandatory electronic disbursement. The State could see a reduction in services at the State Disbursement Unit as a result of this reduction as the vendor already waived the contractually binding cost of living increase for August 2008-February 2009, totalling \$434,500. Proviso language will be required to reduce this contract.</p>
37	0.0	(10,600,000)		Y	Reduce Communication Services Tax (CST) collection allowance by 50%	In 2002-03, the Legislature authorized communications companies an allowance of 0.75% for remittance of CST using the methodology approved by DOR and for keeping auditable records of the filings. There are approximately 3,800 CST filers. The largest 200 filers represent 98% of the revenue generated. Starting in FY 2002-03, CST filers have retained the following amounts in successive years: \$13.0M, \$13.9M, \$15.7M, \$16.3M, and \$21.2M in FY 2006-07. Through 8 months of the current year \$14.4M has been retained. The total for the first 5.66 years is \$94.5M. In excess of 90% of these top 200 CST filers have been unable to provide DOR with a single month of reconcilable records for the 36 month audit period. This issue would require a statute change to reduce their collection allowances by 50% and generate \$10.6M in new revenue.
TOTAL	(114)	(24,164,933)	751,346			

Issue #	FTE	Recurring General Revenue	Recurring Trust Fund Amount	Statute Change Required?	Issue	Impact
Other Mitigation Strategies						
1		(10,000,000)		Y	DR-219 - New GR in Treasury	By eliminating the DR-219 form requirement, the state General Revenue Fund will receive approximately \$10 million in FY 08/09 in additional funding. This form is currently required to be filed by the Clerks of Court with the department and property appraiser. The clerks receive a 1% processing fee from doc stamps. The form does not effectively serve the department as a reliable source of information.
2		(2,950,051)		Y	Change Annual \$25 Fee option from State to either custodial or non-custodial parent paying the fee	Changing the \$25 annual fee from the State paying the federal share to the parents paying the fee will result in reduced payments to the family if the custodial parent is required to pay the fee. Implementation will require a legislative change and FLORIDA programming to account for and collect the fee. Would require a change to sections 409.2567 & 61.1814, F.S.
3	(15.0)	(615,000)		Y	Transfer Division of Corporations to DOR	Transferring the Division of Corporations to the Department of Revenue will save the state approximately \$615,000. The merger would result in less confusion for Florida businesses, improved service delivery, increased productivity and decreased costs.
		(342,728)			Shift Existing Hearing Officer and Support Staff Positions:	<p>Transfer of Services from Judiciary Budget - The Department contracts with the Office of the State Courts Administrator for hearing officer and support positions across the State. The contract allows federal matching funds to be used for salaries for judicial positions that handle child support hearings in Title IV-D cases. Several counties have a significant number of cases pending hearings to either establish paternity or establish, modify or enforce child support orders. Delays in processing these cases result in families not receiving child support payments or orders not reflecting the current circumstances of the family due to delayed modification hearings. Shifting some positions from 100% state funds to federally funded positions and dedicating them to child support cases would reduce the General Revenue funding needs and allow child support pending workloads to be reduced.</p> <p>The Department recommends shifting several 100% state funded hearing officer and support positions to the federally funded contract between Revenue and the State Courts Administrator and appropriating the 34% in state share funding to the Department needed to leverage the federal match. The Department of Revenue and State Courts Administrator will need increased appropriations or spending authority to accomplish this issue.</p> <p>It would result in a cost savings to the judiciary as 66% of the total cost would be paid by the federal government. Based on current workloads, the Department recommends one hearing officer and support staff for Polk, Hardee, and Highland counties; one half-time hearing officer in Pinellas County; one hearing officer and support staff for Miami-Dade County; and one hearing officer and support staff person in Brevard and Seminole counties (.5 in each county).</p> <p>This issue assumes a savings to GR of \$342,728. The Department estimates the cost of the 3.5 hearing officers and 3 support staff to be \$519,285.</p> <p>The savings is calculated as 66% of the total costs.</p> <p>The savings assumes that the staff are shifted for 1 year.</p>
	TBD				State Disbursement Unit (SDU) - Contract	The Northrup-Gruman study resulted in an estimated annual cost to in-source of \$10.2M and an annual cost of \$14.5 to outsource. The contract with ACS was competitively procured in 1998 when the federal requirement for SDUs was initial enacted and the annual contract amount paid to ACS is \$22M. Over the last ten-years payment processing technology and procedures have improved and the cost per transaction has greatly decreased. Due to these improvements, the State would see a significant cost reduction if the legislature provided direction to renegotiate the contract.
TOTAL	(15)	(13,907,779)	0			