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# **Transportation & Economic Development Appropriations Subcommittee**

**Wednesday, February 12, 2014  
9:00 AM - 11:00 AM  
Reed Hall (102 HOB)**

**MEETING PACKET**

**Will Weatherford  
Speaker**

**Ed Hooper  
Chair**



**The Florida House of Representatives**  
**Appropriations Committee**  
**Transportation & Economic Development Appropriations Subcommittee**

**Will Weatherford**  
Speaker

**Ed Hooper**  
Chair

February 12, 2014

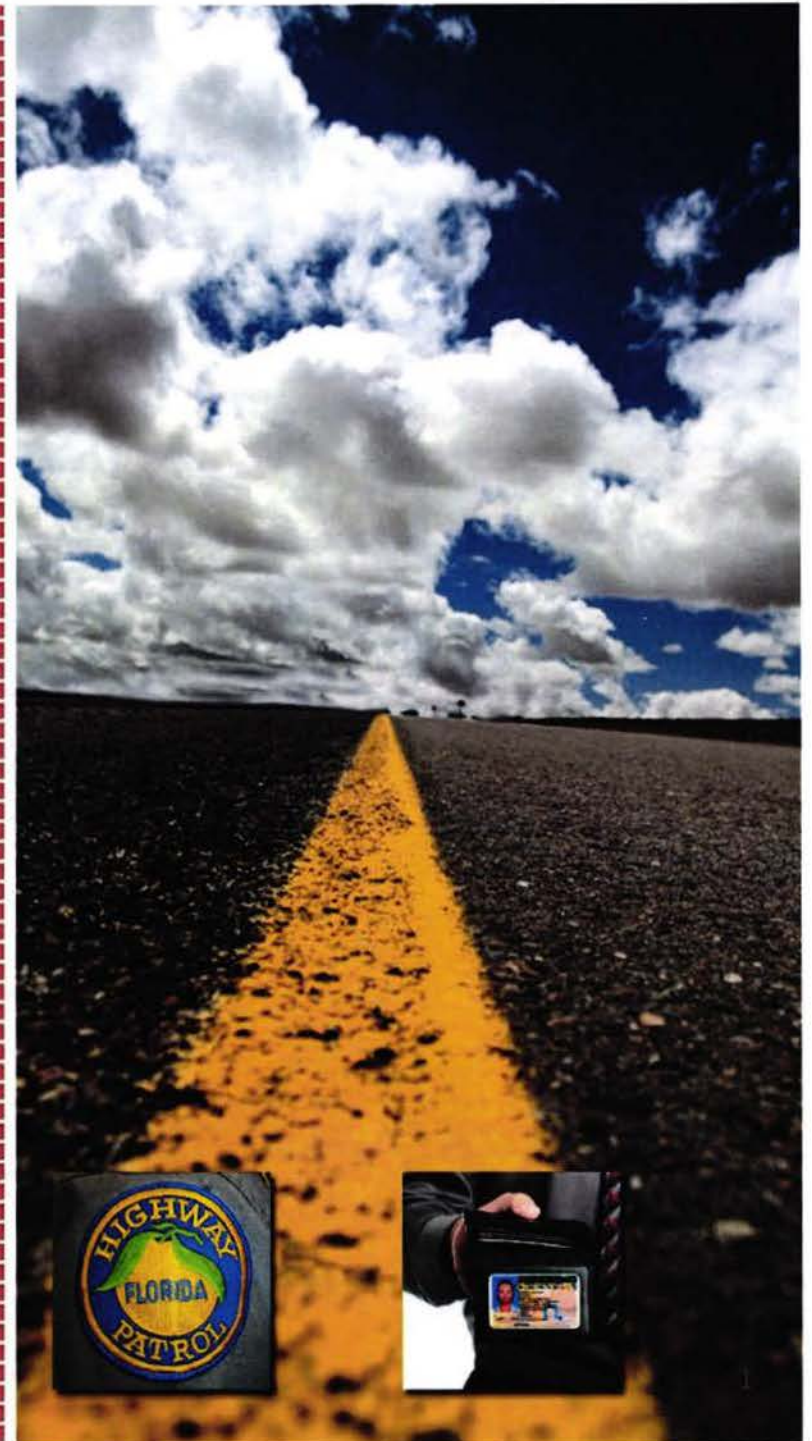
AGENDA  
9:00 AM – 11:00 AM  
Reed Hall

- I. Call to Order/Roll Call
- II. Department of Highway Safety and Motor Vehicles Presentation  
*Motorist Modernization*  
Terrence Samuel, Office of Motorist Modernization Director
- III. PCB TEDAS 14-01  
State Economic Enhancement & Development Trust Fund/DEO
- IV. PCB TEDAS 14-02  
Trust Fund Terminations/DEO
- V. Closing Remarks/Adjourn



A SAFER  
**FLORIDA**  
HIGHWAY SAFETY AND MOTOR VEHICLES

# Motorist Modernization



# Serving Florida

- Who are our customers?
  - 15,381,473 driver licenses
  - 952,039 identification cards
  - 16,800,292 motor vehicle registrations
  - 1,039,840 mobile homes
  - 782,777 vessels
- Law enforcement



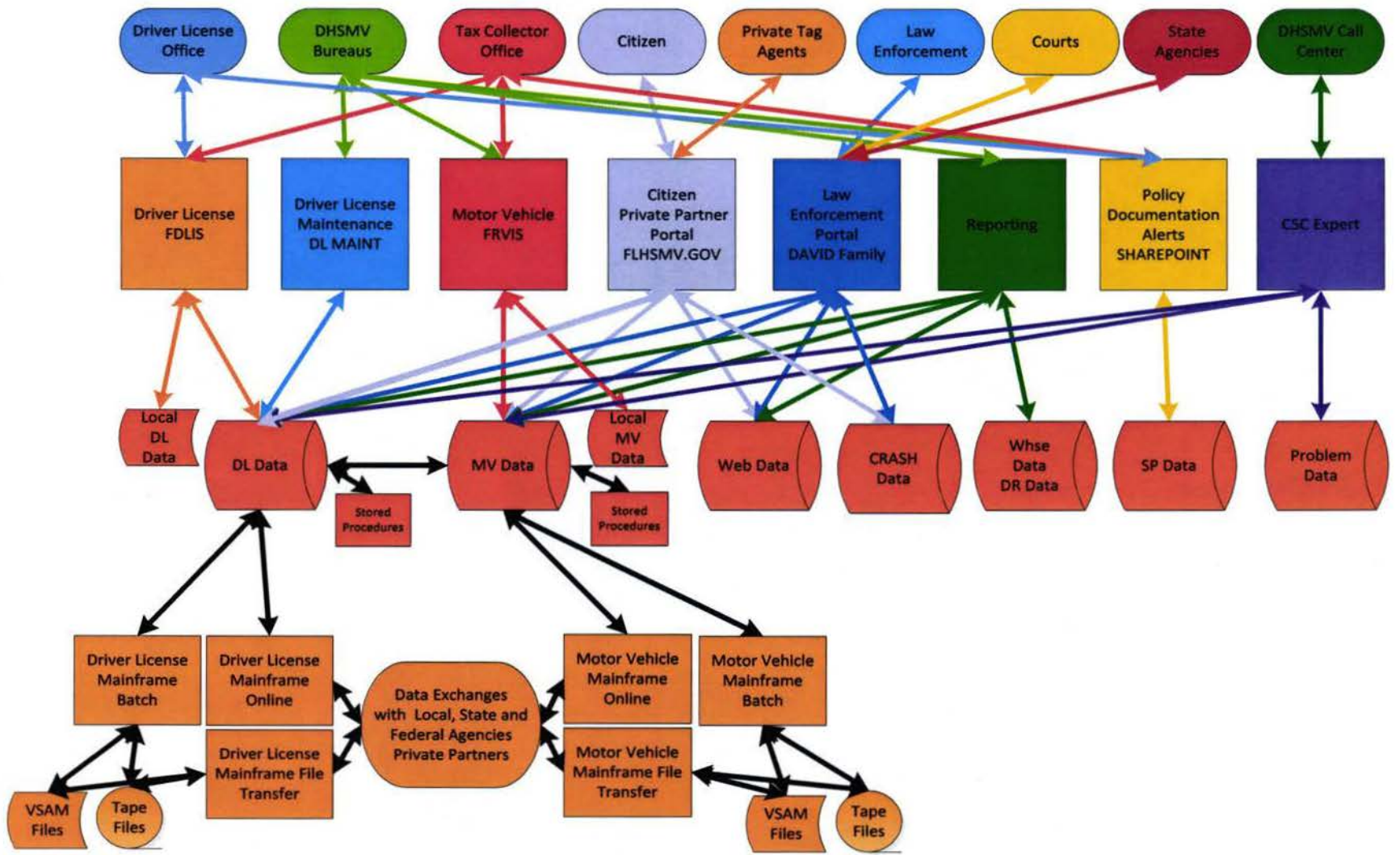
# Current Environment

Current systems are not interoperable resulting in longer wait times and missed opportunities to meet customer needs efficiently.

Systems are 20–30 years old, are no longer supported by the vendor and the US workforce needed to support them has dissolved.

Data is not updated in “real-time”, increasing the risk that law enforcement and other users will access incorrect information or worse, the information may not even be available.

5-10+ Yr Old C/S & Web Technology  
 5-10+ Yr Old Data Designs  
 20-30+ Yr Old Technology





# What is Modernization

- An effort to replace our aging systems used for driver licensing, motor vehicle titling, registration, and various other systems.
- These systems will reflect re-engineered processes and new functionalities that are easier to use, maintain, and enhance.



# Our Approach

- Prior research and requests
- Lessons learned from other states
  - California
  - Virginia
  - New Mexico
  - Vermont
  - Rhode Island

# Our Approach

- Phased approach
- Governance
  - Board headed by Executive Director
  - Advisory Committee
- Additional validation services

# Motorist Modernization – Phase I

- Redesign and replacement of Driver License Issuance system
- FY 2014-15 LBR - \$10.9M
- Completion in FY 2016-17
- Phase I total project cost of \$20,934,628

# Phase I Results

- Increased self-service opportunities for customers online
- Reduced customer wait time
- Increased data quality for law enforcement
- Foundation to provide a single view of the customer





# Questions?



## HOUSE OF REPRESENTATIVES TRUST FUND RE-CREATION STAFF ANALYSIS

**BILL #:** PCB TEDAS 14-01 State Economic Enhancement and Development Trust Fund/DEO  
**SPONSOR(S):** Transportation & Economic Development Appropriations Subcommittee  
**TIED BILLS:** IDEN./SIM. **BILLS:** SB 684

| REFERENCE   | ACTION | ANALYST   | STAFF DIRECTOR or<br>BUDGET/POLICY CHIEF  |
|---|--------|---|---|
| Orig. Comm.: Transportation & Economic<br>Development Appropriations Subcommittee |        | Proctor  | Davis  |

### I. SUMMARY

Section 19(f), Article III of the State Constitution requires that all newly created trust funds terminate not more than four years after the initial creation unless re-created. This provision also requires that trust funds be created or re-created by a three-fifths vote of the membership in each house of the Legislature in a separate bill for the sole purpose of creating or re-creating that trust fund. The State Economic Enhancement and Development (SEED) Trust Fund within the Department of Economic Opportunity (DEO) became effective July 1, 2011 in Ch. 2011-138, Laws of Florida, and is scheduled to terminate on July 1, 2015.

This legislation re-creates the SEED Trust Fund within the DEO without modification, effective July 1, 2014, provided that it is enacted by three-fifths of the membership of both houses of the Legislature.

## II. SUBSTANTIVE ANALYSIS

### A. PRESENT SITUATION:

#### 1. MAJOR STATUTES THAT CONTROL THE TRUST FUND:

Section 19(f), Article III of the State Constitution requires that all newly created trust funds terminate not more than four years after the initial creation unless re-created. This provision also requires that trust funds be created or re-created by a three-fifths vote of the membership in each house of the Legislature in a separate bill for the sole purpose of creating or re-creating that trust fund. The SEED Trust Fund was created within the DEO effective July 1, 2011 by chapter 2011-138, Laws of Florida in s. 288.1201, F.S. and is scheduled to terminate on July 1, 2015.

#### 2. BRIEF DESCRIPTION OF THE FUND'S USES OR PURPOSES:

Funds deposited into the trust fund are used for infrastructure and job creation opportunities and for transportation facilities, affordable housing programs and projects in accordance with ch. 420, F.S.; economic development incentives for job creation and capital investment; workforce training associated with locating a new business or expanding an existing business; and tourism promotion and marketing services, functions, and programs.

#### 3. MAJOR SOURCES OF REVENUE FOR THE FUND:

Moneys credited to the trust fund consist of documentary stamp tax proceeds as specified in law, local financial support funds, interest earnings, and cash advances from other trust funds.

#### 4. TOTAL PROJECTED RECEIPTS INTO THE FUND AND CURRENT YEAR APPROPRIATIONS FROM THE FUND:

Total projected receipts are \$150 million. The Fiscal Year 2013-14 appropriation level is \$117,016,648.

### B. EFFECT OF PROPOSED CHANGES:

The bill re-creates the SEED Trust Fund without modification and repeals the scheduled termination of the trust fund.

## III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

This legislation has no fiscal impact on state agencies or state funds, on local governments as a whole or on the private sector. It simply re-creates, without modification, an existing state trust fund and continues the current use of the fund.

## IV. COMMENTS

## V. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES



1                                   A bill to be entitled  
 2           An act relating to trust funds; re-creating the State  
 3           Economic Enhancement and Development Trust Fund within  
 4           the Department of Economic Opportunity without  
 5           modification; amending s. 288.1201, F.S.; abrogating  
 6           provisions relating to the termination of the trust  
 7           fund, to conform; providing a contingent effective  
 8           date.

9  
 10           WHEREAS, the Legislature wishes to extend the life of the  
 11           State Economic Enhancement and Development Trust Fund within the  
 12           Department of Economic Opportunity, which is otherwise scheduled  
 13           to be terminated pursuant to constitutional mandate, and

14           WHEREAS, the Legislature has reviewed the trust fund before  
 15           its scheduled termination date and has found that it continues  
 16           to meet an important public purpose, and

17           WHEREAS, the Legislature has found that existing public  
 18           policy concerning the trust fund sets adequate parameters for  
 19           its use, NOW, THEREFORE,

20  
 21           Be It Enacted by the Legislature of the State of Florida:

22  
 23           Section 1. The State Economic Enhancement and Development  
 24           Trust Fund within the Department of Economic Opportunity, FLAIR  
 25           number 40-2-041, which is to be terminated pursuant to Section  
 26           19(f)(2), Article III of the State Constitution on July 1, 2015,

27 | is re-created.

28 |       Section 2. Subsection (4) of section 288.1201, Florida  
29 | Statutes, is amended to read:

30 |       288.1201 State Economic Enhancement and Development Trust  
31 | Fund.—

32 |       ~~(4) In accordance with s. 19(f)(2), Art. III of the State~~  
33 | ~~Constitution, the trust fund shall, unless terminated sooner, be~~  
34 | ~~terminated on July 1, 2015. Before its scheduled termination,~~  
35 | ~~the trust fund shall be reviewed as provided in s. 215.3206(1)~~  
36 | ~~and (2).~~

37 |       Section 3. This act shall take effect July 1, 2014, but it  
38 | shall not take effect unless it is enacted by a three-fifths  
39 | vote of the membership of each house of the Legislature.



**HOUSE OF REPRESENTATIVES STAFF ANALYSIS**

**BILL #:** PCB TEDAS 14-02 Trust Fund Terminations/DEO  
**SPONSOR(S):** Transportation & Economic Development Appropriations Subcommittee  
**TIED BILLS:**           **IDEN./SIM. BILLS:** SB 686

| REFERENCE   | ACTION | ANALYST           | STAFF DIRECTOR or<br>BUDGET/POLICY CHIEF |
|---|--------|-------------------|--|
| Orig. Comm.: Transportation & Economic<br>Development Appropriations Subcommittee |        | Proctor <i>TP</i> | Davis <i>BDJ</i>                         |

**SUMMARY ANALYSIS**

This bill terminates the Community Services Block Grant Trust Fund, Energy Consumption Trust Fund, Economic Development Transportation Trust Fund, and the Low Income Home Energy Assistance Program Block Grant Trust Fund within the Department of Economic Opportunity.



## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

##### PRESENT SITUATION

Legislative review of trust funds is required at least once every four years pursuant to section 215.3208, Florida Statutes. The schedule for review is included in the legislative budget instructions developed pursuant to the requirements of section 216.023, Florida Statutes. A trust fund analysis indicated four trust funds within the Department of Economic Opportunity (DEO) are no longer needed and could be terminated.

The Community Services Block Grant Trust Fund, FLAIR number 40-2-261, was originally created as a depository for receipts from the U.S. Department of Health & Human Services, interest earnings and cash advances from other trust funds. It was used to administer the Federal Community Service Block Grant Program, to provide immediate life necessities and motivation to achieve self-sufficiency. Services can include emergency health, food, housing, day care, transportation assistance, housing counseling, financial management assistance, nutrition programs including federal surplus food distribution, community gardening projects, food banks, job counseling, placement and training services, and homeless prevention programs. At the time of the creation of the DEO the balance of this fund was transferred into the Federal Grants Trust Fund where the activities are now funded.

The Energy Consumption Trust Fund, FLAIR number 40-2-174, was originally created as a depository for the United States Department of Energy's Weatherization Assistance Program (WAP) and petroleum violation escrow settlements from the federal government. The WAP is designed to reduce the monthly energy burden on low-income households by improving the energy efficiency of the home. This trust fund was originally under the Department of Community Affairs. At the time of the creation of the DEO the balance of this fund was transferred into the Federal Grants Trust Fund.

The Economic Development Transportation Trust Fund, FLAIR number 40-2-175, was originally created as a depository of general revenue from appropriations and transfers from the State Transportation Trust Fund at the Florida Department of Transportation (FDOT) to fund activities related to transportation projects as defined in section 334.03, F.S., that are necessary to facilitate economic development and growth. The program was transferred to FDOT under Ch. 2011-142, L.O.F. At the time of the program's transfer to FDOT the balance of this fund was also transferred.

The Low Income Home Energy Assistance Program Block Grant Trust Fund, FLAIR number 40-2-451, was originally created as a depository for receipts from the U.S. Department of Health & Human Services, interest earnings and cash advances from other trust funds. It was used to administer and fund the Low Income Home Energy Assistance Program, which provides home energy assistance benefits to eligible households, or direct payments to electric or natural gas utilities or other energy suppliers and operators of subsidized housing on behalf of eligible households. This trust fund was originally under the Department of Community Affairs. At the time of the creation of the DEO the balance of this fund was transferred into the Federal Grants Trust Fund where the activities are now funded.

**EFFECT OF PROPOSED CHANGES:**

This bill terminates the Community Services Block Grant Trust Fund, the Energy Consumption Trust Fund, and Low Income Home Energy Assistance Program Block Grant Trust Fund within the Department of Economic Opportunity. The current remaining balance and any proceeds thereof will be transferred to the Federal Grants Trust Fund, FLAIR number 40-2-261, within DEO.

This bill also terminates the Economic Development Transportation Trust Fund within the Department of Economic Opportunity. The current remaining balance and any proceeds thereof will be transferred to the State Transportation Trust Fund within FDOT.

**B. SECTION DIRECTORY:**

- Section 1. Terminates the Community Services Block Grant Trust Fund, the Energy Consumption Trust Fund, and the Low Income Home Energy Assistance Program Block Grant Trust Fund.
- Section 2. Terminates the Economic Development Transportation Trust Fund.
- Section 3. Amends s. 17.61, F.S. relating to Chief Financial Officer.
- Section 4. Amends s. 420.36, F.S. relating to the Low-Income Emergency Home Repair Program.
- Section 5. Provides effective date.

**II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

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

- 1. Revenues:  
None
- 2. Expenditures:  
None

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

- 1. Revenues:  
None
- 2. Expenditures:  
None

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

None

**D. FISCAL COMMENTS:**

The bill has no fiscal impact.

### **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:**

### **IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES**

1                                   A bill to be entitled  
 2           An act relating to trust funds; terminating specified  
 3           trust funds within the Department of Economic  
 4           Opportunity; providing for the disposition of balances  
 5           in and revenues of such trust funds; prescribing  
 6           procedures for the termination of such trust funds;  
 7           amending ss. 17.61 and 420.36, F.S.; conforming  
 8           provisions to changes made by this act; providing an  
 9           effective date.

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Be It Enacted by the Legislature of the State of Florida:

Section 1. (1) The following trust funds within the Department of Economic Opportunity are terminated:

(a) The Community Services Block Grant Trust Fund, FLAIR number 40-2-118;

(b) The Energy Consumption Trust Fund, FLAIR number 40-2-174; and

(c) The Low-Income Home Energy Assistance Program Block Grant Trust Fund, FLAIR number 40-2-451.

(2) All current balances remaining in, and all the revenues of, the trust funds shall be transferred to the Federal Grants Trust Fund within the Department of Economic Opportunity.

(3) The Department of Economic Opportunity shall pay any outstanding debts and obligations of the terminated trust funds as soon as practicable, and the Chief Financial Officer shall

27 | close out and remove the terminated trust funds from the various  
 28 | state accounting systems using generally accepted accounting  
 29 | principles concerning outstanding warrants, assets, and  
 30 | liabilities.

31 | Section 2. (1) The Economic Development Transportation  
 32 | Trust Fund within the Department of Economic Opportunity, FLAIR  
 33 | number 40-2-175, is terminated.

34 | (2) All current balances remaining in, and all the  
 35 | revenues of, the trust fund shall be transferred to the State  
 36 | Transportation Trust Fund within the Department of  
 37 | Transportation.

38 | (3) The Department of Economic Opportunity shall pay any  
 39 | outstanding debts and obligations of the terminated trust fund  
 40 | as soon as practicable, and the Chief Financial Officer shall  
 41 | close out and remove the terminated trust fund from the various  
 42 | state accounting systems using generally accepted accounting  
 43 | principles concerning outstanding warrants, assets, and  
 44 | liabilities.

45 | Section 3. Paragraph (c) of subsection (3) of section  
 46 | 17.61, Florida Statutes, is amended to read:

47 | 17.61 Chief Financial Officer; powers and duties in the  
 48 | investment of certain funds.—

49 | (3)

50 | (c) Except as provided in this paragraph and except for  
 51 | moneys described in paragraph (d), the following agencies may  
 52 | not invest trust fund moneys as provided in this section, but

53 shall retain such moneys in their respective trust funds for  
 54 investment, with interest appropriated to the General Revenue  
 55 Fund, pursuant to s. 17.57:

56 1. The Agency for Health Care Administration, except for  
 57 the Tobacco Settlement Trust Fund.

58 2. The Agency for Persons with Disabilities, except for:

59 a. The Federal Grants Trust Fund.

60 b. The Tobacco Settlement Trust Fund.

61 3. The Department of Children and Families ~~Family~~  
 62 ~~Services~~, except for:

63 a. The Alcohol, Drug Abuse, and Mental Health Trust Fund.

64 b. The Social Services Block Grant Trust Fund.

65 c. The Tobacco Settlement Trust Fund.

66 d. The Working Capital Trust Fund.

67 4. The Department of Corrections.

68 5. The Department of Elderly Affairs, except for:

69 a. The Federal Grants Trust Fund.

70 b. The Tobacco Settlement Trust Fund.

71 6. The Department of Health, except for:

72 a. The Federal Grants Trust Fund.

73 b. The Grants and Donations Trust Fund.

74 c. The Maternal and Child Health Block Grant Trust Fund.

75 d. The Tobacco Settlement Trust Fund.

76 7. The Department of Highway Safety and Motor Vehicles,  
 77 only for the Security Deposits Trust Fund.

78 8. The Department of Juvenile Justice.



- 79 9. The Department of Law Enforcement.
- 80 10. The Department of Legal Affairs.
- 81 11. The Department of State, only for:
- 82 a. The Grants and Donations Trust Fund.
- 83 b. The Records Management Trust Fund.
- 84 12. The Department of Economic Opportunity, only for+
- 85 ~~a. The Economic Development Transportation Trust Fund.~~
- 86 ~~b.~~ the Economic Development Trust Fund.
- 87 13. The Florida Public Service Commission, only for the
- 88 Florida Public Service Regulatory Trust Fund.
- 89 14. The Justice Administrative Commission.
- 90 15. The state courts system.
- 91 Section 4. Paragraphs (a) and (c) of subsection (4) of
- 92 section 420.36, Florida Statutes, are amended to read:
- 93 420.36 Low-income Emergency Home Repair Program.—There is
- 94 established within the Department of Economic Opportunity the
- 95 Low-income Emergency Home Repair Program to assist low-income
- 96 persons, especially the elderly and physically disabled, in
- 97 making emergency repairs which directly affect their health and
- 98 safety.
- 99 (4)(a) Funds appropriated to the department for the
- 100 program shall be deposited in the Federal Grants ~~Energy~~
- 101 ~~Consumption~~ Trust Fund. Administrative and personnel costs
- 102 incurred by the department in implementing the provisions of
- 103 this section may be paid from the fund.
- 104 (c) Funds shall be distributed to grantees and subgrantees

105 as follows:

106 1. For each county, a base amount of at least \$3,000 shall  
 107 be set aside from the total funds available, and such amount  
 108 shall be deducted from the total amount appropriated by the  
 109 Legislature.

110 2. The balance of the funds appropriated by the  
 111 Legislature shall be divided by the total poverty population of  
 112 the state, and this quotient shall be multiplied by each  
 113 county's share of the poverty population. That amount plus the  
 114 base of at least \$3,000 constitutes ~~shall constitute~~ each  
 115 county's share. A grantee that ~~which~~ serves more than one county  
 116 shall receive the base amount plus the poverty population share  
 117 for each county to be served. Contracts with grantees may be  
 118 renewed annually.

119 3. The funds allocated to each county shall be offered  
 120 first to an existing weatherization assistance program grantee  
 121 in good standing, as determined by the department, which ~~that~~  
 122 can provide services to the target population of low-income  
 123 persons, low-income elderly persons, and low-income physically  
 124 disabled persons throughout the county.

125 4. If a weatherization assistance program grantee is not  
 126 available to serve the entire county area, the funds shall be  
 127 distributed through the following process:

128 a. An announcement of funding availability shall be  
 129 provided to the county. The county may elect to administer the  
 130 program.

131 |       b. If the county elects not to administer the program, the  
132 | department shall establish rules to address the selection of one  
133 | or more public or private not-for-profit agencies that are  
134 | experienced in weatherization, rehabilitation, or emergency  
135 | repair to administer the program.

136 |       5. If no eligible agency agrees to serve a county, the  
137 | funds for that county shall be distributed to grantees having  
138 | the best performance record as determined by department rule. At  
139 | the end of the contract year, any uncontracted or unexpended  
140 | funds shall be returned to the Federal Grants ~~Energy Consumption~~  
141 | Trust Fund and reallocated under the next year's contracting  
142 | cycle.

143 |       Section 5. This act shall take effect July 1, 2014.