

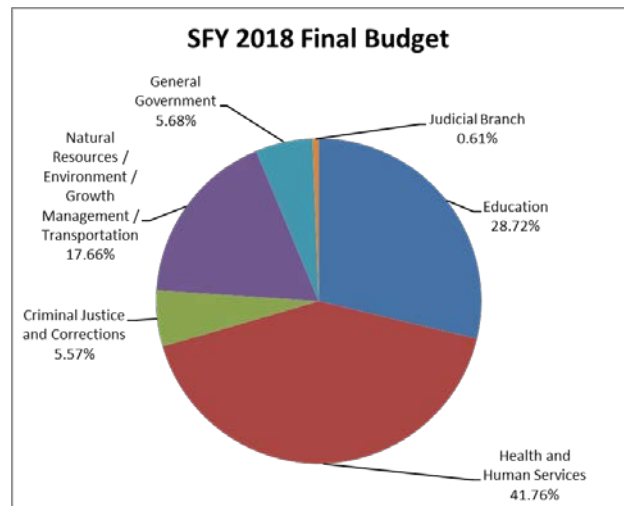
2017- 2018 Governor’s Proposed Budget

SFY 2018 Governor’s Proposed Budget – General Overview

The Governor’s proposed budget for State Fiscal Year 2017-2018 totals approximately \$83.47 billion, and represents a \$1.3 billion increase from the 2016 General Appropriations Act (adjusted for vetoes and supplemental items), establishing the state budget for 2016-2017. The chart below summarizes a comparison of the current SFY 2017 budget and Governor’s proposed SFY 2018 budget.

Budget Comparison by Section (In Millions)	GAA	Proposed	\$ Difference	% Difference
	SFY 2017	SFY 2018	SFY 17 vs. SFY 18	SFY 17 vs. SFY 18
Section 1. Education	1,783,000,000	2,042,800,000	259,800,000	14.57%
Section 2. Education	22,005,103,065	21,930,100,000	(75,003,065)	(0.34%)
Section 3. Health and Human Services	34,298,935,641	34,861,200,000	562,264,359	1.64%
Section 4. Criminal Justice and Corrections	4,439,602,000	4,647,200,000	207,598,000	4.68%
Section 5. Natural Res. / Environment / Growth / Transportation	14,563,828,145	14,744,400,000	180,571,855	1.24%
Section 6. General Government	4,542,487,122	4,740,100,000	197,612,878	4.35%
Section 7. Judicial Branch	521,700,000	508,600,000	(13,100,000)	(2.51%)
Total Budget	82,154,655,973	83,474,400,000	1,319,744,027	1.61%

Health and Human Services received the largest portion of funding, totaling approximately \$34.8 billion. This represents a 1.64% increase in appropriations from the current year. All educational programs and services combined received the second largest amount of funding, totaling approximately \$24 billion. This represents an increase of approximately 0.78% from the current fiscal year. Finally, Natural Resources, Environmental Issues, Growth Management and Transportation Expenditures represent the third largest portion of the SFY 2018 budget with funding equaling \$14.7 billion, which represents a 1.24% increase from the current fiscal year.



Proposed general revenue expenditures for SFY 2018 equal \$30.8 billion and trust fund expenditures total approximately \$52.6 billion. The chart below compares expenditures between SFY 2017 and the proposed SFY 2018 budget by fund type.

Budget Comparison by Fund Type (In Millions)	GAA	Proposed	\$ Difference	% Difference
	SFY 2017	SFY 2018	SFY 17 vs. SFY 18	SFY 17 vs. SFY 18
General Revenue	30,192.10	30,845.90	653.80	2.17%
Trust Funds	51,962.56	52,628.50	665.94	1.28%
All Funds	82,154.66	83,474.40	1,319.74	1.61%

SFY 2018 Governor's Proposed Budget – County Funding Highlights

Health and Human Services

1. \$468 million for **Community Mental Health Services**, an approximate \$86 million increase over current year funding.
2. Funding equal to \$221,912,764 for **Community Substance Abuse Services**, an approximate \$74.5 million increase compared to the current year budget.
3. \$9 million for the **Public Safety, Mental Health, and Substance Abuse Local Matching Grant Program**, which supports county programs that serve adults or youth who are in behavioral crisis and at risk of entering the criminal justice system. This is equal to the current year funding.
4. \$22,250,000 to support **Community Action Treatment (CAT) teams**, which provide community-based services to children (aged 11 to 21) with mental health and/or substance abuse diagnoses. These funds are directed to support existing CAT teams as well as establish four new CAT teams. This is a nearly \$5 million increase over the current year funding.
5. \$5.2 million appropriated for **homeless programs**; of this total, \$5 million is directed to DCF to award challenge grants to lead agencies of homeless assistance continuums of care, and \$200,000 is directed to DEO to provide training and technical assistance to the lead agencies.

Public Safety

1. The Governor's budget proposal estimates the counties' portion of total **Shared County/State Juvenile Detention** to be \$61,615,811. This represents an estimated increase of \$1,418,365 from the FY 16-17 adopted budget and **49.99%** of the total funding for Juvenile Detention (consistent revisions made to s. 985 during the 2016 legislative session).
2. **Fiscally constrained funding offset for juvenile secure detention** equal to \$3,883,853, this is equal to the current year funding.
3. \$ 741,091 in funding **aid to local criminal investigation laboratories** (crime labs), this is equal to the current year funding.
4. **Delinquency Prevention Programs** are budgeted at \$79,526,607, this is equal to the current year funding. A total of \$16, 819,808 is proposed for PACE Center for Girls.

Agricultural and Environmental

1. **Mosquito control programs**: \$2.6 million, which is equal to the current year funding level.
2. **Drinking water facility construction revolving loan program**: \$112,645,073 (\$21,888,200 from general revenue; \$90,756,873 from drinking water revolving loan trust fund). This is an \$8 million increase over the current year budget.

3. **Wastewater revolving loan program:** \$142,688,031 (\$6,540,800 from general revenue; \$136,147,231 from the wastewater treatment and stormwater management revolving loan trust fund). This is approximately \$8.5 million less than the current year's funding level.
4. \$22.2 million in grants and aids for **wastewater treatment facility storm preparedness**. Specifically, these funds are to be used to establish a grant program for storm preparedness for domestic wastewater treatment facilities and to prevent future sewer overflow events.
5. **Springs restoration:** \$65 million (\$15 million from general revenue; \$50 million from the land acquisition trust fund). This is an increase of \$15 million over the current year budget.
6. **Beach renourishment:** \$50 million recommended for grants and aids to local governments and non-state entities for beach projects, which represents an increase of nearly \$18 million over the current year funding.
7. \$61,237,500 in **beach recovery funds** to be used for beach and dune repair and restoration projects in areas damaged by Hurricanes Matthew and Hermine. The funds will be used for the state share of project costs, to be matched by other federal or local funds.

Transportation and Economic Development

1. **Small County Outreach Program (SCOP)** funding is proposed at \$65.7 million, which is approximately \$3 million lower than the current year funding
2. The **Small County Road Assistance Program (SCRAP)** continues to see reduced funding as the budget proposes \$30.2 million for the program, which is \$13 million less than the current budget.
3. The **County Incentive Grant Program (CIGP)** receives a slight bump in funding and is proposed at \$52.6 million.
4. **Affordable Housing:** \$44 million. (\$34 million in State and Local Housing Trust Fund)

General Government

1. **Library funding** is proposed at \$25 Million, which mirrors the current year allocation.
2. \$24.8 million in **fiscally constrained county funding** to offset the impacts of previously approved constitutional amendments
3. \$22.4 million in **emergency distributions** revenue sharing for small counties

To review the Governor's proposed SFY 2018 budget proposal in its entirety please visit:

<http://fightingforfloridasfuturebudget.com/HomeFY18.htm>

SFY 2018 Governor's Proposed Budget – Implementing and Conforming Bills

Appropriations Implementing and Conforming bills make certain changes to substantive law in order to implement the proposed General Appropriations Act.

Conforming Bill topics:

1. The Governor's Budget Recommendation Conforming Bill on **Commercial Rent Sales Tax** reduces the sales tax businesses pay on their commercial leases from 6 to 4.5 percent, a 25 percent decrease. The estimated first-year impact to counties is \$14.3 million. The estimated recurring impact to counties is \$34.3 million.
2. The Governor's Budget Recommendation Conforming Bill on **Back to School Sales Tax Holiday** creates a sales tax holiday for certain clothing, school supplies, and personal computers and computer-related accessories, beginning August 4, through August 13, 2017. To qualify for exemption, clothing and bags may not have a sales price higher than \$100; school supplies may not have a sales price higher than \$15. During the tax holiday, taxes may not be levied on the first \$750 of the sales price of personal computers. Cell phones are not considered personal computers, however, tablets are. Personal computer-related accessories include monitors and non-recreational software, among other things. The estimated non-recurring impact to counties is \$9 million.
3. The Governor's Budget Recommendation Conforming Bill on **Disaster Preparedness Sales Tax Holiday** creates a sales tax holiday for disaster preparedness supplies, beginning May 27, through June 4, 2017. Exempt items include flashlights (< \$20), radios (< \$50), tarps (< \$50), first-aid kits (< \$30), tie-down kits (< \$50), fuel tanks (< \$25), batteries (< \$30, excluding car and boat batteries), cell phone batteries (< \$60), coolers (< \$100), portable generators (< \$750), reusable ice (< \$10), shutters (< \$200), locator beacon (< \$600), position-indicating radio beacons (< \$1000), and carbon monoxide alarms (< \$75). The estimated non-recurring impact to counties is \$790,000.
4. The Governor's Budget Recommendation Conforming Bill on **Veteran and Active Duty Service Member Sales Tax Holiday** creates a sales tax holiday for veterans and active-duty service members, beginning November 9, through November 11, 2017. Exempt items include clothing (< \$100), personal computers (first \$750 of sales price), books (< \$50), sporting equipment (< \$100), televisions (< \$1,000), and household appliances (< \$1,000). Dishonorably discharged veterans are not eligible for exemption. The estimated non-recurring impact to counties is \$2.2 million.
5. The Governor's Budget Recommendation Conforming Bill on **Camping and Fishing Sales Tax Holiday** creates a sales tax holiday for camping and fishing equipment, on July 1, 2017. Exempt items include canopies (< \$100), ground clothes (< \$50), mosquito nets (< \$50), tents (< \$200), sleeping bags (< \$150), first-aid kits (< \$50), backpacks (< \$200), folding tables and chairs (< \$75 and < \$50), lanterns (< \$30), stoves (< \$50), grills (< \$50), coolers (< \$100), canoes (< \$1,000), kayaks (< \$1,000), paddle boards (< \$1,000), paddles (< \$150), life vests (< \$400), and fishing supplies (non-commercial). The estimated non-recurring impact to counties is \$66,000.
6. The Governor's Budget Recommendation Conforming Bill on **College Textbook Sales Tax Exemption** exempts college textbooks from having sales taxes levied. In order to qualify, students

must present, upon purchase, a postsecondary institution identification number and an applicable course syllabus. The estimated non-recurring impact to counties is \$5.9 million.

7. The Governor’s Budget Recommendation Conforming Bill on **Corporate Income Tax** increases the corporate income tax exemption from \$50,000 to \$75,000. The estimated impact to counties is \$0.
8. The Governor’s Budget Recommendation Conforming Bill on **Book Fair Sales Tax Exemption** exempts books purchased at school book fairs from having sales taxes levied. The estimated impact to counties is \$670,000.
9. The Governor’s Budget Recommendation Conforming Bill on Fee Cuts reduces or eliminates numerous fees, including:
 - Fees for transferring vehicle title for surviving spouses;
 - Fees for replacement and renewal ID cards for citizens 80 and over;
 - Fees for original ID cards for citizens 80 and over who surrender their driver license;
 - Fees for veteran designation on new identification, license, and renewals;
 - Fees for original commercial driver’s licenses for veterans;
 - Fees associated with commercial driving schools;
 - Delinquency fees;
 - Building permit surcharges;
 - Sales and Use tax registration fee using paper applications.

The estimated recurring impact to counties from the above fee changes is \$66,000.

10. **FRS Contribution Rates:** Modifies employer contribution rates.

County Employer Contribution Rates change as follows:

- Employer **normal** contribution rates for each membership class of FRS (Defined Benefit and Defined Investment) are amended as follows:

<u>Class</u>	<u>FY 2017-18 Normal Rate</u>	<u>FY 2016-17 Normal Rate</u>
Regular	2.89%	2.97%
Special Risk	11.81%	11.35%
Special Risk Administrative Support	3.81%	3.87%
Elected Officers (legislators)	6.41%	6.63%
Elected Officers (judges)	11.66%	11.68%
Elected Officers (county officers)	8.48%	8.55%
Senior Management	4.28%	4.38%

DROP	4.17%	4.17%
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- To address **unfunded actuarial liabilities** (UAL) of the system, the bill amends the current employer contribution rates for each membership class of FRS as follows:

<u>Class</u>	<u>FY 2017-18 UAL Rate</u>	<u>FY 2016-17 UAL Rate</u>
Regular	3.30%	2.83%
Special Risk	9.57%	8.92%
Special Risk Administrative Support	29.08%	22.47%
Elected Officers (legislators)	42.69%	33.75%
Elected Officers (judges)	26.25%	23.30%
Elected Officers (county officers)	35.24%	32.20%
Senior Management	16.70%	15.67%
DROP	7.43%	7.43%