



Board of Directors Meeting

February 11, 2010

Legislative Report

Item V. B.

Recommended Action:	Information Only
Issue:	Governor's Budget
Strategic Plan Goal:	Increase the efficiency of JWB's work

Governor's Budget Released

The Governor released his \$69.2 billion FY 2010-2011 budget recommendation at the end of January. The budget is a \$2.7 billion increase over the current year budget of \$66.5 billion. With an expected \$3 billion revenue deficit, the proposal funds education with \$434 million from the Seminole gambling compact that has been rejected by the House of Representatives twice, and not fully supported by the Senate. It relies also on transferring \$584.5 million from 32 trust funds -- \$232 million from the Lawton Chiles Endowment and \$352 million from unspent funds earmarked for the courts, schools, and health care. Federal stimulus dollars are anticipated at \$4 billion. The budget does recommend \$200 million in agency spending cuts to include the closure of juvenile justice facilities in Hillsborough, Monroe, and Osceola counties.

A press release from the Governor's office highlights the following:

Health and Human Services

- Medicaid - \$2.7 billion in additional funding to cover costs associated with increased enrollment and utilization of medical services for low-income families with children, as well as elderly and disabled individuals.
- Medically Needy Program - \$402.7 million in nonrecurring funding to continue the Medically Needy program through June 30, 2011, for qualified individuals who have extremely high medical expenses in relation to their income.
- KidCare - \$50.5 million in additional funding for the KidCare program to cover costs associated with increases in the enrollment and utilization of medical services for children. (This would be federally reimbursed at 70 cents for every state dollar expended)

- Mental Health and Substance Abuse - \$31.3 million is provided to fund mental health and substance abuse services.

- Maintenance Adoption Subsidy - \$25.8 million, including \$9.1 million to provide subsidies to 3,000 additional families, so children with special needs can be adopted by loving families.

- Domestic Violence Shelters - \$4.9 million, including \$1.5 million for maintenance and repairs to existing shelter facilities.

Education

Governor Crist's proposed budget for Pre-K-12 education recommends \$22.7 billion to continue learning gains achieved by Florida's students during recent years. In addition, the Governor recommended \$7.1 billion for higher education, including a \$100-million increase to state universities to build research and education capacity in science, technology, engineering, math, and medicine (STEMM). The Governor also recommended a \$67-million increase for Florida's 28 public colleges.

- Per-Student Funding - A \$179 increase per student, for an average of \$7,045 per student for the 2.6 million K-12 students expected during the 2010-11 school year.

- Voluntary Prekindergarten Program - \$411.9 million to provide high quality early learning to eligible four-year-olds.

- State University System - \$3.6 billion including \$5 million for state university research commercialization grants.

- Community Colleges - \$2 billion including \$9.5 million to maintain bachelor's degree programs offered by colleges within the Florida College System.

In addition, the Governor recommended the following tax relief proposals:

- Corporate Income Tax Rate Cut - A one-percent reduction in the corporate income tax rate, from 5.5 to 4.5 percent, on the first \$1 million of a corporation's taxable income, helping save businesses an estimated \$57.4 million.

- 10-Day Back-to-School Sales Tax Holiday - Anticipated to save Florida families \$52.1 million in sales taxes.

- Delayed Unemployment Compensation Tax Increase - Changes going into effect January 1, 2010, increase the minimum rate from \$8.40 to more than \$100 for each employee. The Governor recommends the Florida Legislature pass legislation early in the upcoming Session to delay this increase and provide relief to Florida businesses.

Public Safety

- DNA Equipment Expansion - \$1.2 million to automate and expand the DNA collection and submission equipment system, building on legislation Governor Crist signed last year to expand DNA collection over 10 years.

-Background Checks of Caregivers - \$378,675 to guarantee all Guardian ad Litem program staff and volunteers undergo a national background check, in addition to the required state background check.

- Juvenile Justice Programs - \$608.4 million to fund successful juvenile justice programs, including \$1.6 million to continue the expansion of the Redirection Program. The drop in the juvenile crime rate also allows for a reduction of \$9.5 million by closing three underutilized detention centers and incorporating other efficiencies.

- Judicial Inquiry System Enhancements - \$3.7 million and three full-time positions to enhance the Judicial Inquiry System (JIS), helping alert court personnel when a defendant with an active arrest warrant is on the arraignment calendar.

- Agency Facility Preservation - \$6 million to the Department of Corrections and \$2.5 million to the Department of Juvenile Justice for the upkeep of state-owned and operated prisons and juvenile justice facilities. The Governor proposed a major cost savings by not investing in new correctional facilities for Fiscal Year 2010-11.

The Legislative Session will convene on March 2, 2010 and the House and Senate will begin preparing their individual budget recommendations. During the last two weeks of April, the negotiating process will commence when the budget conference committee members are named by each chamber's leader. If they are unable to reach consensus, unresolved issues will be "bumped up" to the leadership in the House and Senate.

Office Of Resource Development Update

The JWB Board of Directors accepted funds for an evaluation contract in October, 2009 of the 21st Century Community Learning Centers project awarded to Coordinated Child Care of Pinellas, Inc. (CCC) by the Florida Department of Education (FDOE). Attached is an evaluation report for the school- and community-based programs. The report complies with FDOE requirements to only describe project activity from start-up through October 31, 2009. The report indicates that the projects overall are making good progress in their start-up activities, which includes coordinating with schools, recruitment and hiring of tutors, and recruitment of students. Three sites opened by the end of October; the other two opened soon afterward. In addition to tutoring services, sites are providing homework assistance, mentoring, and recreational activities. A more comprehensive report, including outcome data, will be completed in July, 2010 and will be subsequently presented to the JWB Board of Directors.