



Transportation & Tourism Appropriations Subcommittee

**Wednesday, January 11, 2017
9:00 AM – 11:00 AM
102 HOB (Reed Hall)**

Meeting Packet



The Florida House of Representatives

Appropriations Committee

Transportation & Tourism Appropriations Subcommittee

Richard Corcoran
Speaker

Clay Ingram
Chair

AGENDA

Wednesday, January 11, 2017
102 House Office Building
9:00 AM – 11:00 AM

- I. Call to Order/Roll Call
- II. Opening Remarks by Chair Ingram
- III. Budget Exercise
- IV. Base Budget Review
- V. Closing Remarks
- VI. Adjournment

**Transportation & Tourism
Appropriations Subcommittee**



Hypothetical Budget Exercise

- Preparation for allocations
- Requires an analytic examination of the base budget
- Target budget reductions based on a uniform methodology to be achieved by each subcommittee.
- Subcommittees are requested to report findings and conclusions to the Appropriations Committee week of February 13th

Guidelines for Budget Exercise

- The total reduction amount allocated to the subcommittee must be achieved by:
 - reducing base appropriations,
 - reducing or eliminating items funded in the Long Range Financial Outlook,
 - increasing state revenues,
 - redirecting recurring state trust funds to the General Revenue Fund. A one-time transfer (i.e., sweep) may be used to address the non-recurring portion of the reduction allocation,
 - any combination of the above.
- A recurring reduction may be used instead of a nonrecurring reduction to meet the target total but not vice versa.
- Reductions cannot violate federal law, the U.S. or Florida constitution.
- Agency administrative costs can be reduced but cannot be eliminated.
- Reductions cannot be based upon unrealistic, future-year or assumption-laden savings.
- Federal funds cannot be used to solve the recurring or non-recurring shortfall. Federal funding should be examined however and suggestions made for potential revisions or reductions
- Trust fund reductions must provide information regarding the specific revenue source of the reduction. Reductions should include information regarding the specific budget entity and the program reduced.
- Any revenue increase must include specific information regarding the fee or tax increased and must be within the subcommittee's jurisdiction.
- In addition to achieving the target reductions, subcommittee members may also recommend₃ other reprioritizations of the base.

Target A Reductions

(dollars in millions)

Subcommittee	Recurring	NR	Total
Transportation & Tourism	(105.0)	(51.2)	(156.2)

Target B Reductions

(dollars in millions)

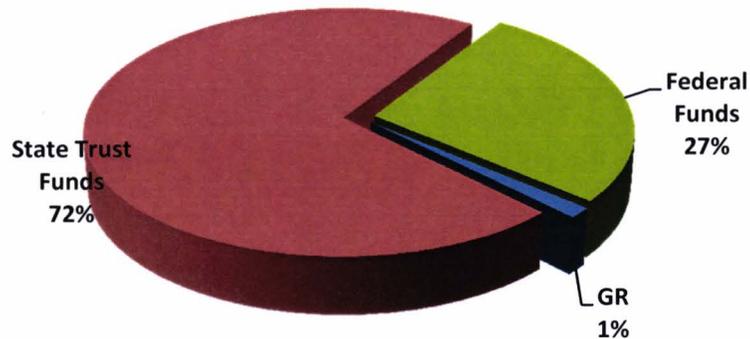
Subcommittee	Recurring	NR	Total
Transportation & Tourism	(269.1)	(52.1)	(321.2)

Transportation & Tourism Appropriations Current Fiscal Year 2016-17

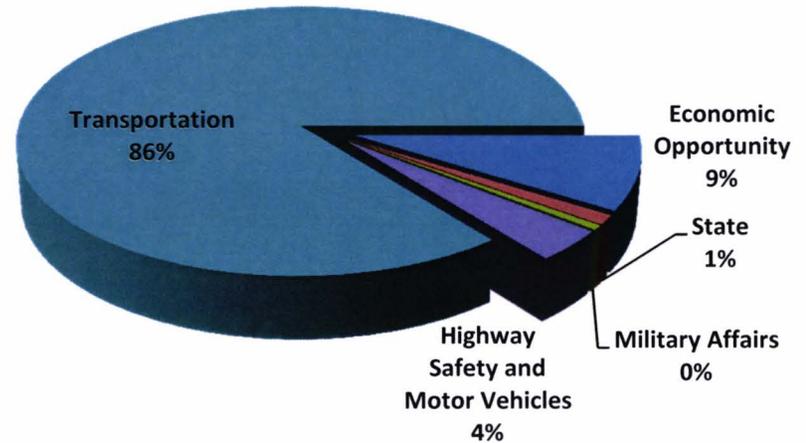
	FTE	Recurring	Nonrecurring	Total
Fiscal Year 2016-17 Appropriations:	13,194.5	2,299,692,596	10,223,650,831	12,523,343,427

Agency Funding Overview		FY 2016-17				
#	Department	FTE	GR	State Trust Funds	Federal Funds	Total
1	Economic Opportunity	1,537.5	32,089,436	416,009,702	654,415,188	1,102,514,326
2	State	411.0	107,048,566	15,190,739	22,021,171	144,260,476
3	Military Affairs	453.0	27,958,419	1,874,167	41,973,041	71,805,627
4	Highway Safety and Motor Vehicles	4,414.0	254,167	454,048,035	15,448,509	469,750,711
5	Transportation	6,379.0	2,954,167	8,082,465,334	2,649,592,786	10,735,012,287
6	Total	13,194.5	170,304,755	8,969,587,977	3,383,450,695	12,523,343,427

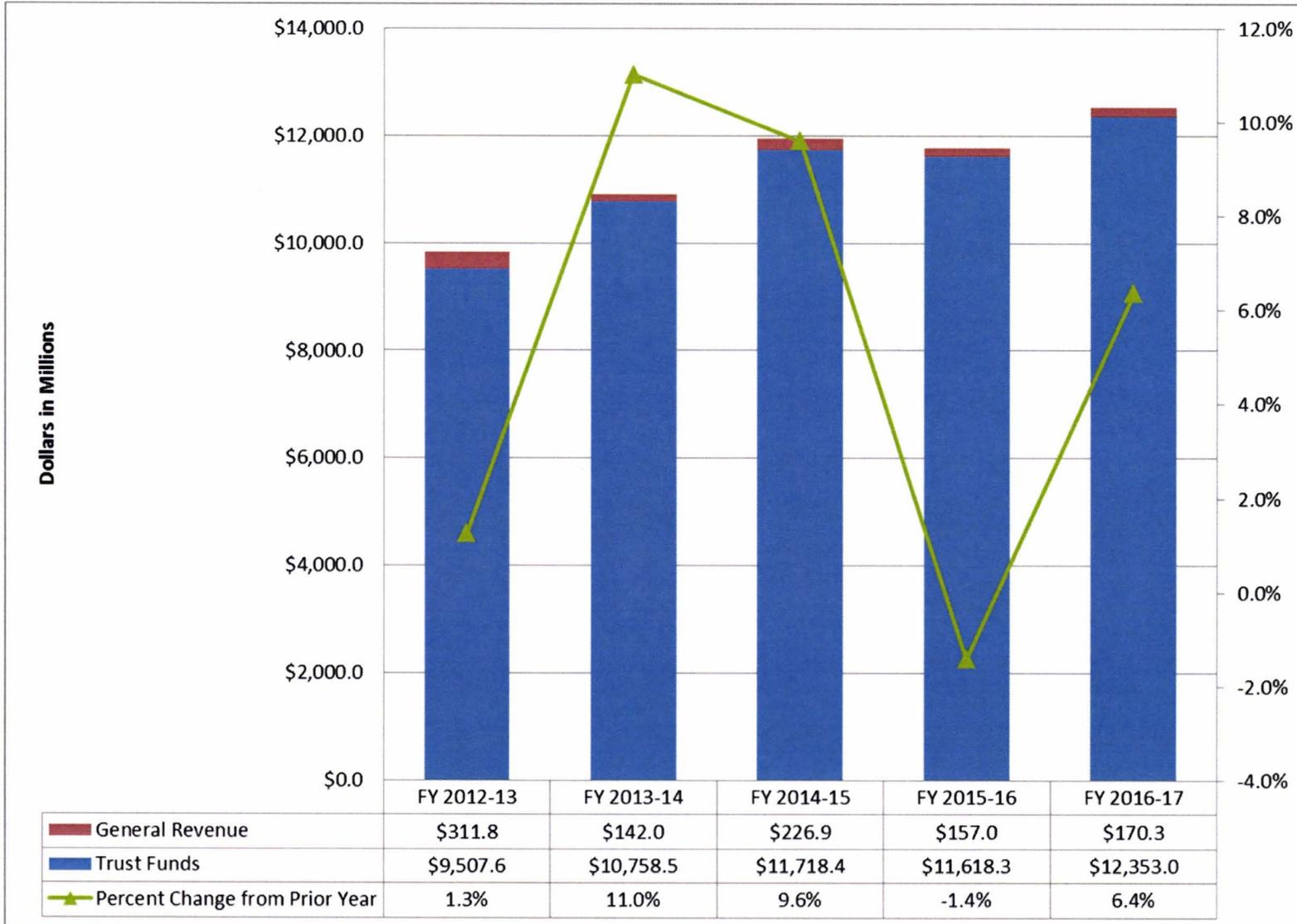
Appropriations by Fund Type



Appropriations by Department



Transportation & Tourism Appropriations Funding History



What Is The Base Budget?

Like many other state and local jurisdictions, Florida's approach to budgeting is incremental. This means that revisions to the budget are either increases or decreases from an agreed upon starting point and the net effect is the appropriation for the year budgeted.

The base budget is this starting point. It is essentially the budget necessary to continue the current year's appropriations decisions into the next new fiscal year. The base budget is a consensus document agreed upon by staffs of the Governor, House and Senate and is developed as follows:

- 1) The appropriations for the current year budget, as passed by the Legislature in the General Appropriations Act (GAA), are adjusted for:
 - a) Vetoes;
 - b) Supplemental appropriations in substantive bills that have become law;
 - c) Failed contingencies in the GAA, where, for example, the GAA provided an appropriation contingent upon enactment of substantive legislation, which legislation failed to become law;
 - d) Agency reorganizations authorized by law but not included in the GAA; and
 - e) Distributions of funds in the "Administered Funds" section of the GAA pursuant to section 8 and other proviso.

- 2) The base budget is then developed by adjusting the current year budget as follows:
 - a) The nonrecurring funding is removed;
 - b) Increases or decreases in funding decisions that were enacted for a portion of the current year are annualized to reflect the full 12-month cost in the subsequent year;
 - c) Interim budget amendments of a recurring nature are included; and
 - d) Technical corrections/adjustments are made.

These adjustments implement the most recent legislative funding decisions, as adjusted for vetoes, that comprise the "base" from which to start the incremental decision-making for the ensuing year.

Transportation & Tourism Appropriations Subcommittee Base Budget

FY 2016-17 Total Appropriation = \$12,523,343,427

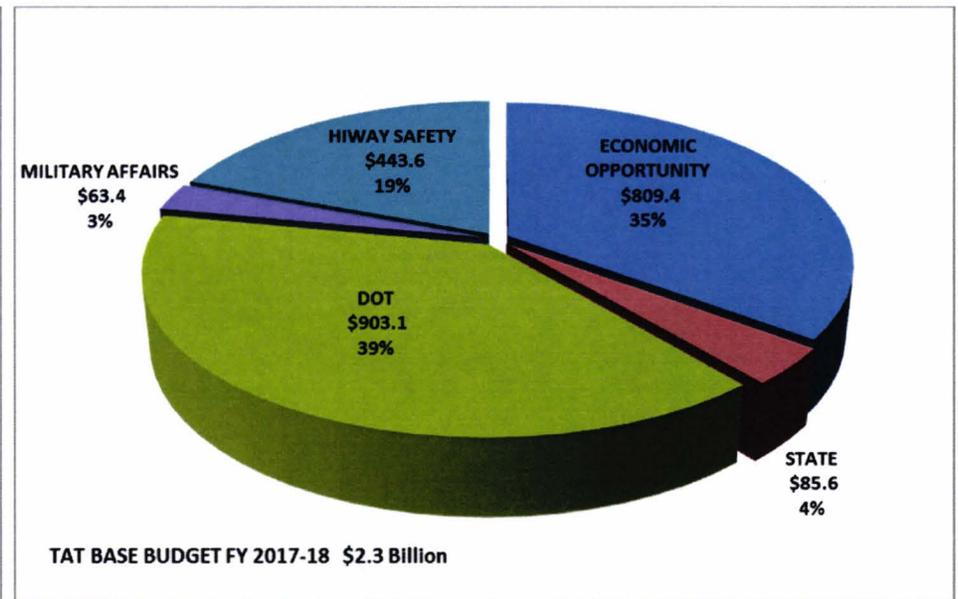
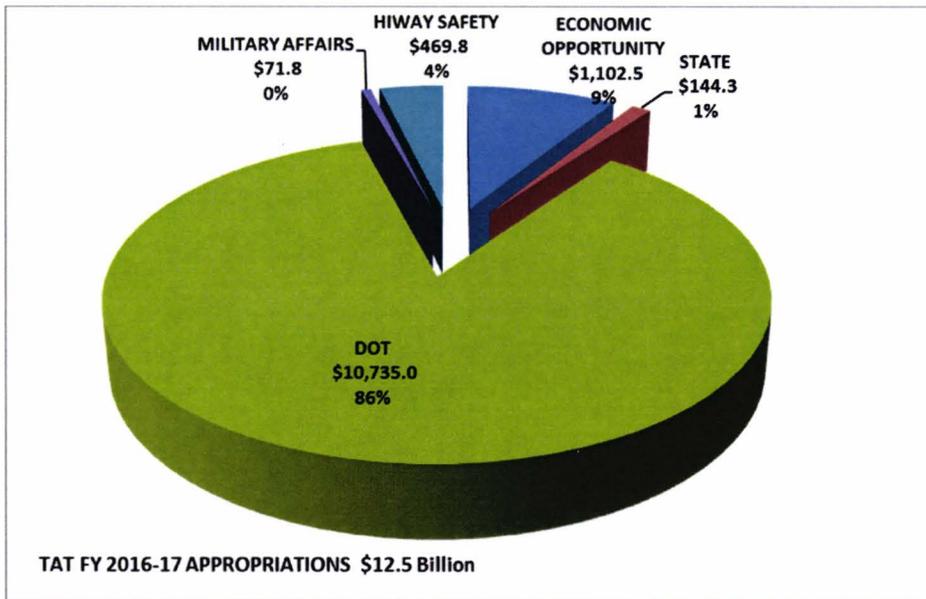
FY 2017-18 Total *Base Budget* = \$2,305,162,708

- **Difference - \$10.2 billion**

**Appropriation minus nonrecurring appropriations plus
adjustments**

Transportation & Tourism Appropriations

Current Year Appropriations – Base Budget Comparison



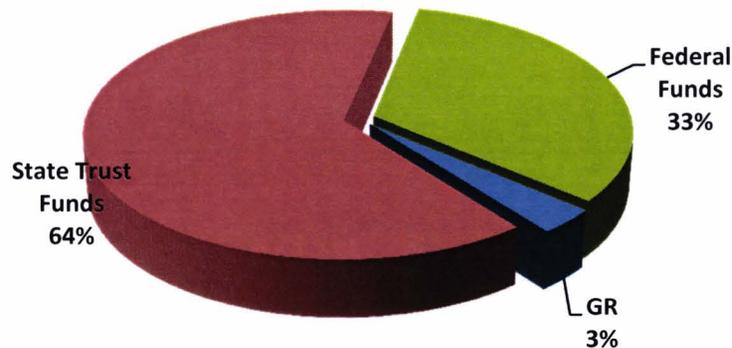
Transportation & Tourism Appropriations

Current Year Appropriations – Base Budget Comparison

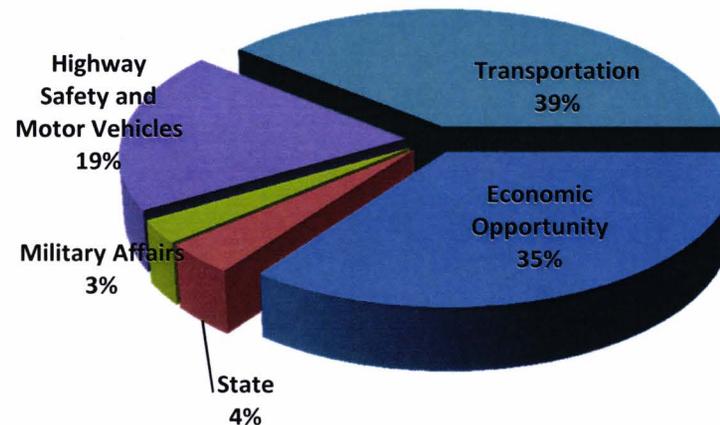
	FTE	Recurring	Nonrecurring	Total
Fiscal Year 2016-17 Appropriations:	13,194.5	2,299,692,596	10,223,650,831	12,523,343,427

Agency Funding Overview		Base Budget FY 2017-18*				
#	Department	FTE	GR	State Trust Funds	Federal Funds	Total
1	Economic Opportunity	1,537.5	2,500,000	153,627,734	653,303,910	809,431,644
2	State	411.0	53,352,372	11,224,423	21,057,071	85,633,866
3	Military Affairs	453.0	20,661,424	1,682,165	41,095,794	63,439,383
4	Highway Safety and Motor Vehicles	4,414.0	0	428,139,675	15,462,289	443,601,964
5	Transportation	6,379.0	0	877,727,782	25,328,069	903,055,851
6	Total	13,194.5	76,513,796	1,472,401,779	756,247,133	2,305,162,708

Appropriations by Fund Type



Appropriations by Department



* Base budget differs from the FY 2016-17 appropriation as the base budget does not include any nonrecurring funds but does include annualizations and other adjustments.

Long Range Financial Outlook

Article III, Section 19(c)(1), Florida Constitution

- The Florida Constitution states that no later than September 15 of each year, the joint legislative budget commission shall issue a long-range financial outlook setting out recommended fiscal strategies for the state and its departments and agencies in order to assist the legislature in making budget decisions.
- The long-range financial outlook must include major workload and revenue estimates.
- Section 216.012(1), Florida Statutes, states that the commission shall develop a long-range three-year financial outlook.

Long Range Financial Outlook

Long Range Financial Outlook Key Budget Drivers					
Fiscal Year 2017-18					
(in millions)					
Issue	Total GR	Recurring GR	NR GR	Trust	Issue Description
Department of Transportation Adopted Work Program (Fiscal Years 2017-2020)	0.0	0.0	0.0	7,840.7	The Department develops a list of transportation projects planned for the following five years, and this funding represents the first year of funding. Funding to support the program comes from a variety of sources, including federal, state, local and toll collections; and funding projections are based on estimates from the January 2016 Revenue Estimating Conference for transportation and documentary stamp tax revenues, and the July 1, 2016, Adopted Work Program.
State Capital Outlay - Agency (Life Safety)	0.0	0.0	0.0	4.2	This is projected funding for environmental site restoration and capital renewal projects (repairs, replacement, renovations affecting critical life, health or safety concerns etc.) at DOT facilities around the state.
Economic Development and Workforce Programs	2.7	0.0	2.7	63.4	The Dept of Economic Opportunity, working with Enterprise Florida, develop and implement economic development policy. Economic development activities include: marketing the state as business friendly, providing financial incentives to attract and grow business, offering grants and loans for low-income and rural areas, and granting funding for innovation and research activities.
National Guard Armories and Military Affairs Priorities	7.9	0.0	7.9	0.0	Projected funding is intended to assess, design, and renovate as many armory facilities per year as possible using a prioritized list contingent on the availability of state funding. The Outlook includes funds to renovate the last remaining armory on the priority list and provide ongoing maintenance and repair for the previously-renovated facilities.
Library, Cultural, Historical, and Election Priorities	69.0	0.0	69.0	0.0	The financial Outlook projects funding needs for Dept of State programs, specifically for Libraries, Cultural and Historical grant programs to preserve these resources, and anticipated costs associated with state election litigation costs or advertising constitutional amendments.
Total	79.6	0.0	79.6	7,908.4	

**Recurring Projects Summary
Fiscal Year 2017-18**

Project	Recurring GR	Recurring TF	Total Funds	Description
Holocaust Documentation and Education Center	\$ 100,000	\$ -	\$ 100,000	Provides funds for staffing, speaking fees, and other administrative expenses for several educational programs such as student awareness days, visual arts and writing contests, and educational tours of the restored rail car. Funds are also used for transcribing and documenting survivors' and liberators' stories, as well as digitizing the current oral history collection.
Florida Endowment for the Humanities	\$ 500,000	\$ -	\$ 500,000	Provides funds to the Florida Humanities Council for services that educate Florida citizens on the history and culture of Florida, particularly as it affects rural and underserved communities. The funds are used for Museum on Main Street exhibits (a program of the Smithsonian Institute), publishing issues of FORUM Magazine, conducting public humanities lectures and programs throughout the state, developing oral history/staged performances featuring Florida veterans, and developing mobile applications of Florida city walking tours throughout the state.
Hispanic Business Initiative Fund Outreach	\$ -	\$ 775,000	\$ 775,000	Provides funds to the nonprofit organization to provide bilingual assistance to Hispanic entrepreneurs trying to establish or expand their business in Florida.
Institute for the Commercialization of Public Research	\$ -	\$1,000,000	\$1,000,000	Provides funds to the nonprofit organization to assist its research partners with new company formation and growth, and pairs promising discoveries with management and capital.
CAMACOL - Florida Trade and Exhibition Center	\$ -	\$ 400,000	\$ 400,000	Provides funds to the Latin Chamber of Commerce of U.S.A., a Hispanic business organization that promotes entrepreneurship for Hispanic businesses.
Southeast US/Japan Association & Florida/Korea Economic Cooperation Committee	\$ -	\$ 200,000	\$ 200,000	Provides funds to the two nonprofit organizations to plan and organize business development activities and/or trade missions with Japan and Korea.
Non Custodial Parent Program	\$ -	\$1,416,000	\$1,416,000	Provides funds to Gulf Coast Jewish Family and Community Services to assist unemployed or under-employed non-custodial parents in four counties establish a pattern of regular child-support payments, by obtaining and maintaining employment.
Total	\$ 600,000	\$3,791,000	\$4,391,000	