



THE MAYFIELD MINUTE

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Two weeks and counting until the start of the 2010 Legislative Session. This past week we focused our attention on the state budget in our committees. In order for us to make the most informed economic decisions for our state, we must go over every detail of the budget.

In this issue I would like to give you an update on the budget as well as legislation that I feel is important to our district.

-Rep. Debbie Mayfield

COST AND BENEFIT ANALYSIS OF LEGISLATION

Existing Florida law requires the Revenue Impact Conference to analyze and assess the impact of proposed legislation. The conference meets regularly before and during session to evaluate what they believe to be the recurring and non-recurring fiscal impacts of proposed legislation. They typically report the costs of legislation. They do not attempt to measure any financial benefits of legislation. **HB 93**, of which I am a cosponsor, provides that the Speaker of the House or Senate President may request that the revenue estimating conference measure both the costs and the benefits of proposed legislation.

Especially in these tough economic times, legislators need to know that the dollars we spend will be put to good use – by providing a cost-benefit analysis of proposed legislation, legislators will be better-equipped to make more informed decisions.

PUBLIC SERVICE COMMISSION JURISDICTION

During the recent Indian River County Legislative Delegation meeting, I proposed local legislation that would put the City of Vero Beach Municipal Utility under the jurisdiction of the Public Service Commission. Currently, municipal electric utilities are exempt from the Public Service Commission’s jurisdiction.

When the exemption was put into place, the basis behind the law was that municipalities were governed largely by an elected city commission or an appointed or elected utility board and therefore could be more responsive to their customers because their customers were also their constituents.

Today, in some areas around the state, that is no longer the case. Some of the municipalities in the state serve more people outside of their municipal boundary than inside. Therefore I have filed **HB 725** which defines any municipality serving fewer than 45% of its customers residing inside the municipal boundary as a public utility and therefore the utility would be subject to the Public Service Commission’s jurisdiction.

When we have municipal utilities in our state that want to be treated like a utility business, then they should be subject to the same rules and regulations as all other public utilities.



Florida’s Old and New Capitols

Should you have any state constituent issues, please do not hesitate to contact Sandi Harpring in my Vero Beach office at (772) 778-5077.

CONSTITUENT MILESTONES

Eagle Scout Awards:

Andrew Major

Jeffrey Scott Gray, Jr

100 year B-day February 15th

Joseph Steinitz

Courtney Hanson was awarded the Governor's Recognition Scholarship 2009/ Florida Prepaid College Foundation. She wrote a winning essay about Gov. William Pope Duval. The scholarship was presented to Courtney at the January 26th IRC School Board meeting. The scholarship is valued at over \$18,000.00

Bob & Ellie McCabe were honored as Good Samaritans of the Year 2010 for their commitment and dedication to helping those in our community.



For more detailed information on legislative issues, please check out the Florida Legislature's website! www.myfloridahouse.gov

2010 BUDGET

Recently, the House Appropriations Council received a briefing on the outlook for the current and upcoming budget. While the numbers have changed somewhat, the outlook remains the same: Florida's budget situation remains challenging.

The state's beginning general revenue balance is estimated to be up \$340 million in the next fiscal year since the last update in October. Unfortunately, costs for essential state services are expected to rise even more.

Falling property values and increased student enrollment across the state have reduced the dollars available for K-12 education. Funding schools next year at the same level as this year will require an additional \$400 million for Fiscal Year 2010-11. Florida's Medicaid costs are also rising. In fact, current estimates are over \$200 million higher than they were just 4 months ago.

In total, estimates for the state's vital needs has grown by \$592 million since the September 2009 estimates. Looking beyond what are considered essential budget issues which include, education, healthcare, public safety and transportation, cost estimates have risen by over \$1 billion during the past four months.

The impact on core services for the 2010-11 budget is now estimated to be nearly \$1.1 billion. When other budget items are added, that potential shortfall increases to \$3.2 billion. That is an increase of \$581.7 million over September's estimates. Equally important is the impact of the coming stimulus flameout as federal dollars begin to disappear. The legislature began planning for the impending stimulus flameout during last session by reducing current spending and not using federal dollars for new government programs while planning for the future.

It is also worth noting that these numbers do not include any budget reserves. In addition to being prudent to maintain adequate reserves, bond experts have advised that the state should maintain a reserve of at least 5% to help preserve Florida's top-level bond rating.

We have maintained a balanced budget by reducing spending nearly \$7 billion over the past three years. We have made tough decisions, and understanding the challenges we face we are prepared to make them again.

TRUST FUND TRANSFERS

In the 2009 Legislative Session, over \$588 million was transferred from various trust funds to the General Revenue Fund in order to balance the budget. This amount included a \$6 million transfer from the Division of Licensing Trust Fund.

Currently, Florida Statute allows the Legislature to transfer cash balances from various trust funds to the General Revenue Fund or the Budget Stabilization Fund notwithstanding any other law to the contrary. There are current exemptions to this law.

HB 651 would add the Division of Licensing Trust Fund within the Department of Agriculture and Consumer Services to this exemption list. This trust fund is the depository for license fees for concealed weapons permits and other various permit fees. I was pleased to sign onto this legislation as a co-sponsor and I fully supported **HB 651** as it passed unanimously out of the House Natural Resources Appropriations Committee.