



CHARLIE CRIST
GOVERNOR

May 28, 2010

Interim Secretary Dawn K. Roberts
Florida Department of State
R. A. Gray Building
500 South Bronough Street
Tallahassee, Florida 32399

Dear Interim Secretary Roberts:

By the authority vested in me as Governor of Florida, under the provisions of Article III, Section 8, of the Constitution of Florida, I do hereby withhold my approval of portions of House Bill 5001, enacted during the 112th Regular Session of the Legislature, since Statehood in 1845, convened under the Constitution of 1968, and entitled:

An act making appropriations; providing moneys for the annual period beginning July 1, 2010, and ending June 30, 2011, to pay salaries, and other expenses, capital outlay - buildings, and other improvements, and for other specified purposes of the various agencies of State government; providing an effective date.

The legislature has passed Florida's \$70.4 billion budget for Fiscal Year 2010-11, the largest budget in recent years. While economic recovery is on the horizon, General Revenue dollars are still scarce and spending has to be carefully prioritized to provide the most critical services to the citizens of our state. The majority of the budget provides funding for essential state services, protects our most vulnerable, keeps our citizens safe, and provides for the education of our children. For that I am grateful to our legislative leaders and commend their efforts.

My constitutional duty as the state's chief administrator for planning and budgeting for the state is to ensure the appropriate use of the people's money. Therefore, I directed my staff to provide a thorough review of each item in the budget. Through this process we have identified projects in the budget that were inserted late in the process; funded outside of established processes; and earmarked funds benefiting a select group or geographic region. While projects fitting this criteria were not vetoed comprehensively, they were reviewed exhaustively and approved if they served the most vulnerable, provided for job creation, or stimulated economic development.

There are several other items in the budget that I feel compelled to address.

First, with Florida's economy teetering on recovery, it is important that government act responsibly and take positive steps in favor of economic activity and higher employment. The legislature's decision to sweep the State Transportation Trust Fund tips the balance by eliminating transportation projects and removing jobs from the market. Further, the legislature chose to link this sweep to funding for the Florida Education Finance Program (FEFP). We should not have to choose between jobs for Floridians or funding for our children's education. Therefore I have decided to veto proviso that made funding for the Florida Education Finance Program (FEFP) contingent upon the transfer of funds from the State Transportation Trust Fund.

Second, I am concerned about prohibiting universities from conducting human embryonic stem cell research. The benefits of human embryonic stem cell research will allow researchers to understand the growth, development and differentiation of cells into several specialized cell types. This can lead to a better understanding of genetic diseases and has the potential for the development, testing of new therapies and medications that can help thousands of Floridians. In addition, other states have invested millions of dollars into human embryonic stem cell research because their state governments allow them to do this type of research. As a result, these states are seeing more research and development investment from national corporations and start-ups. Florida must diversify its economy and help its people. For this reason, I veto proviso that prohibits funds from supporting human embryonic stem cell research in our universities.

Third, the decision by the legislature to implement a recurring methodology for reducing nursing home reimbursement rates to achieve a reduction of \$199.4 million is of great concern to me. Over the past two fiscal years, nursing home reimbursement rates have been reduced. This additional rate reduction has the potential to create an access problem to long term care for Medicaid recipients. Nursing homes which serve a large percentage of Medicaid patients are at the greatest risk of closing their doors and going out of business. Consequently, I decided to veto proviso that would have reduced nursing home rates.

Last, I am also concerned about rate reductions that affect providers that serve Florida's most vulnerable citizens. Providers that serve the needs of the developmentally disabled have been subject to numerous rate reductions in the past few years. This additional reduction in the Fiscal Year 2010-11 General Appropriations Act of 2.5 percent places many of these services needed by the developmentally disabled at risk and many providers will have to shut down operations and close their doors. I am concerned about leaving the developmentally disabled population without a robust service delivery system to meet their needs and provide the specialty care they need. For these reasons, I am also vetoing proviso related to the 2.5 percent provider rate reductions.

I do hereby withhold my approval of the following line items in the 2010-11 General Appropriations Act:

SECTION 2 - EDUCATION (ALL OTHER FUNDS)

Specific Appropriation 19**Pages 7 and 8 - A portion of proviso language**

"Construct Levy Co. Center Ph I (pce).....	13,000,000"
"Remodel/Addition - News Journal Center Building part.....	5,000,000"
"Rem/ren/add Clsrms/Labs/Supp Svcs Fac 2-Hialeah Complete...	21,200,000"
"Site Acq & Construct Ph I-West Central (spce).....	19,750,000"
"Rem/ren Learning Resource Center-Main comp.....	10,211,371
Institute for Public Safety (pc).....	2,000,000"

Specific Appropriation 20**Pages 8 and 9 - A portion of proviso language**

"USF Polytechnic New Campus Phase I (C,E).....	35,000,000
Pharmacy/Health Building (P,C).....	10,000,000
Interdisciplinary Center/Excellence/Wellness Research (P)..	1,000,000"
"Math/Physics Bldg Remodeling/Renovation (P,C,E).....	7,755,790"
"Engineering Building I Renovation (P,C).....	7,241,445"
"Satellite Chiller Plant Expansion (P,C,E).....	7,000,000"
"Innovation Hub (IHUB) (P,C,E).....	5,000,000"
"Caples Fine Arts Mechanical Renovation (P,C,E).....	7,097,970"

Specific Appropriation 78**Pages 19 through 22 - A portion of proviso language**

"From the general revenue funds in Specific Appropriation 78, \$506,869,007 is contingent upon transfers authorized in Section 129 becoming law and if any portion of the amount transferred in Section 129 does not become law, that portion shall be deducted from the general revenue in Specific Appropriation 78."

Specific Appropriation 123
Pages 37 and 38 - A portion of proviso language

"From the funds in Specific Appropriation 123, the department shall contract with an entity located outside of the state of Florida at a maximum cost of \$100,000 to study the Florida Education Finance Program. The study shall review the current funding distribution formula for the sole purpose of recommending any improvements to the existing formula that would better reflect the varying characteristics of each of the 67 school districts and their respective overall student populations, assessing the equity of the current formula in this regard. The department shall submit the results of the study to the President of the Senate, the Speaker of the House of Representatives and the Executive Office of the Governor no later than January 1, 2011."

Before Specific Appropriation 131
Page 39 - A portion of proviso language

"Funds provided in Specific Appropriations 11 through 15 and 131 through 143 shall not be used to support human embryonic stem cell research. This provision shall not apply if the cell or cells in question originated from a source other than a human embryo."

SECTION 3 - HUMAN SERVICES

Specific Appropriation 185
Page 54

"185 SPECIAL CATEGORIES
GRANTS AND AIDS - SHANDS TEACHING HOSPITAL
FROM GENERAL REVENUE FUND 9,673,569

The funds in Specific Appropriation 185, shall be primarily designated for transfer to the Agency for Health Care Administration's Grants and Donations Trust Fund for use in the Medicaid or Low Income Pool programs. Of these funds, up to \$3,820,670 may be used in the Low Income Pool program or as funding to buy back the Medicaid inpatient and outpatient trend adjustments applied to Shands Healthcare Systems' individual hospital rates and other Medicaid reductions to their rates up to the actual Medicaid inpatient and outpatient costs. The transfer of the funds from the Low Income Pool program is contingent upon another local government or healthcare taxing district providing an equivalent amount of funds to be used in the Low Income Pool program. Should the Agency for Health Care Administration be unable to use the full amount of these designated funds, remaining funds may be used secondarily for payments to Shands Teaching Hospital to continue the original purpose of providing health care services to indigent patients through Shands Healthcare System."

Specific Appropriation 219
Pages 69 and 70 - A portion of proviso language

"Funds in Specific Appropriation 219 reflect a reduction of \$76,690,037 from the General Revenue Fund and \$122,712,036 from the Medical Care Trust Fund as a result of modifying the reimbursement for nursing home rates. The agency shall implement a recurring methodology in the Title XIX Nursing Home Reimbursement Plan to reduce nursing home rates to achieve this reduction. In establishing rates through the normal process, prior to including this reduction, if the unit cost is equal to or less than the unit cost used in establishing the budget, then no additional reduction in rates is necessary. In establishing rates through the normal process, prior to including this reduction, if the unit cost is greater than the unit cost used in establishing the budget, then rates shall be reduced by an amount required to achieve this reduction, but shall not be reduced below the unit cost used in establishing the budget."

Specific Appropriation 242
Pages 72 and 73 - A portion of proviso language

"Funds in Specific Appropriation 242 reflect a reduction of \$6,465,891 from the General Revenue Fund and \$10,346,098 from the Operations and Maintenance Trust Fund as a result of reducing provider rates by 2.5 percent, effective July 1, 2010. Personal Care Assistance, transportation, waiver support coordination, durable medical equipment, consumable medical supplies, and environmental and home accessibility services are specifically excluded from this reduction target. The agency shall amend provider contracts, cost plans and rules as necessary to achieve this recurring reduction."

Specific Appropriation 312
Pages 81 and 82 - A portion of proviso language

"From the funds in Specific Appropriation 312, the nonrecurring sum of \$500,000 is appropriated from the Welfare Transition Trust Fund for the Marriage Education Grant Program. These funds shall be used to provide grants to organizations that provide programs that prepare for, strengthen, and restore healthy marriages in amounts not to exceed \$50,000 per organization. In awarding these grants, preference shall be given to programs that are research-based and skills-based and have or include certifications. Grant recipients may use grant funds for providing direct services to participants, enlarging program capacity, or paying other program and operational expenses, including provider training and technical assistance. The Department of Children and Family Services shall use no more than 5 percent of the funds appropriated for this program to contract with a Florida public college or university to establish a process for evaluating the programs receiving grants through these appropriations. Evaluation criteria shall be based on best practices and program outcomes."

SECTION 4 - CRIMINAL JUSTICE AND CORRECTIONS

Specific Appropriation 1123
Page 175 - proviso language

"From the funds in Specific Appropriation 1123, \$650,000 of nonrecurring general revenue is provided for the Girls Advocacy Project (GAP) in Miami-Dade."

Specific Appropriation 1129A
Page 176

"1129A FIXED CAPITAL OUTLAY
PALM BEACH COUNTY JUVENILE ASSESSMENT
CENTER
FROM GENERAL REVENUE FUND 175,000"

Specific Appropriation 1132
Page 176 - proviso language

"From the funds in Specific Appropriation 1132, \$370,000 in nonrecurring general revenue is provided for the Troy Academy in Miami-Dade."

**SECTION 5 - NATURAL RESOURCES/ENVIRONMENT/GROWTH
MANAGEMENT/TRANSPORTATION**

Specific Appropriation 1493A
Page 214

"1493A SPECIAL CATEGORIES
AGRICULTURAL RESEARCH
FROM GENERAL REVENUE FUND 1,000,000

Funds in Specific Appropriation 1493A shall be transferred to the Citrus Research and Development Foundation, Inc., to conduct or cause to be conducted research projects on citrus disease. Distribution of such funds for a particular research project is contingent upon one and a half dollar for dollar cash match from federal or private funds or from citrus box tax revenues. At no time shall the funds appropriated in Specific Appropriation 1493A allocated to a particular project, exceed the private, federal, and citrus box tax funds provided for that project."

Specific Appropriation 1598
Page 225 - A portion of proviso language

", \$925,000 shall fund the Building Code Compliance and Mitigation Program pursuant to section 553.841, Florida Statutes"

Specific Appropriation 1617
Page 227 - A portion of proviso language

"From the funds in Specific Appropriation 1617, \$150,000 in nonrecurring general revenue shall be used to provide emergency generators for the Town of Golden Beach."

Specific Appropriation 1958A
Page 259

"1958A GRANTS AND AIDS TO LOCAL GOVERNMENTS AND
NONSTATE ENTITIES - FIXED CAPITAL OUTLAY
BOATING RELATED ACTIVITIES
FROM GENERAL REVENUE FUND 408,668
FROM STATE GAME TRUST FUND 91,932"

Specific Appropriation 2092
Page 272 - proviso language

"From the funds provided in Specific Appropriation 2092, \$1,000,000 is provided to the South Florida Regional Transportation Authority for operations, maintenance and dispatching services. These funds are in addition to the funds provided in section 343.58 (4)(a), Florida Statutes.

From funds in Specific Appropriation 2092, \$3,500,000 is provided for the construction of Supplemental Safety Measures, known as quadrant gates, as authorized by the Federal Rail Administration for quiet zone crossings, in any city which has a population of less than 40,000, has an intercity passenger rail station and is located along the SunRail Corridor."

SECTION 6 - GENERAL GOVERNMENT

Specific Appropriation 2343A
Page 301

"2343A SPECIAL CATEGORIES
GRANTS AND AIDS - SCHOOL-TO-CAREER
FROM HOTEL AND RESTAURANT TRUST
FUND 706,698"

Specific Appropriation 2545A
Page 319

"2545A SPECIAL CATEGORIES
TRANSFER TO FLORIDA CATASTROPHIC STORM
RISK MANAGEMENT CENTER AT FLORIDA STATE
UNIVERSITY
FROM INSURANCE REGULATORY TRUST
FUND 700,000

Funds in Specific Appropriation 2545A are provided to meet the requirements set forth in section 1004.647, Florida Statutes."

Specific Appropriation 2560A
Page 320

"2560A SPECIAL CATEGORIES
WORKERS' COMPENSATION RESEARCH INSTITUTE
STUDY
FROM WORKERS' COMPENSATION
ADMINISTRATION TRUST FUND 195,000"

Specific Appropriation 2607A
Page 325

"2607A DATA PROCESSING SERVICES
SOUTHWOOD SHARED RESOURCE CENTER
FROM REGULATORY TRUST FUND 132,091"

Specific Appropriation 2651
Pages 329 and 330 - A portion of proviso language

"From the funds in Specific Appropriation 2651, up to \$20,000 from nonrecurring general revenue may be used for the Florida's Major Performing Arts Centers Task Force."

Specific Appropriation 2657A
Page 330

"2657A SPECIAL CATEGORIES
FLORIDA INTERNATIONAL UNIVERSITY DEMOCRACY
CONFERENCE
FROM GENERAL REVENUE FUND 1,000,000"

Specific Appropriation 2659A
Page 330 - A portion of proviso language

"Exponica International..... 500,000"

"The Greater Caribbean Chamber of Commerce..... 50,000"

Specific Appropriation 2672
Page 332 - A portion of proviso language

"NW 47th Avenue Improvements, City of Lauderhill.....	300,000
13th Street Improvements, City of Riviera Beach.....	500,000"
"Turkey Creek Road Improvements/Hillsborough County"	
Industrial Park.....	1,000,000

From the funds in Specific Appropriation 2672, \$2,000,000 shall be used to fund a transportation improvement project at an airport as defined in section 339.63(4), Florida Statutes."

Specific Appropriation 3055Q
Page 373

"3055Q SPECIAL CATEGORIES	
TANGIBLE PERSONAL PROPERTY TAX AUDIT PILOT	
PROGRAM	
FROM GENERAL REVENUE FUND	250,000

Of the funds in Specific Appropriation 3055Q, \$250,000 in nonrecurring general revenue is provided to the Department of Revenue to establish a tangible personal property tax audit revolving loan pilot program in Broward County. The funds will be made available to the property appraiser to contract for appropriate auditing services to conduct randomly selected taxpayer audits."

Specific Appropriation 3200
Page 387 - A portion of proviso language

"Funds provided in Specific Appropriation 3200 include \$1,000,000 from nonrecurring general revenue for the Lauderhill Performing Arts Center."

OTHER SECTIONS

Section 40
Page 407

"SECTION 40. The sum of \$32,500,000 in nonrecurring funds is appropriated from the Public Facilities Financing Trust Fund to the Florida International University for the construction of the FIU/Miami Dade County Health Department/Florida Department of Health facility. This appropriation is subject to approval by the Legislative Budget Commission. Such approval will include the issuance of bonds through the Florida Facilities Pool Revenue Bond Program for the construction and management of the facility."

Section 105
Page 424

"SECTION 105. From the unexpended balance of Specific Appropriation 1772C of chapter 2008-152, Laws of Florida, provided to Winter Park Lake Berry Stormwater Treatment Project, \$150,000 from the Ecosystem Management and Restoration Trust Fund shall revert immediately and is appropriated for Fiscal Year 2010-11 to the Winter Park Melrose Avenue Stormwater Retention Project."

Section 106
Page 424

"SECTION 106. The unexpended funds appropriated in Specific Appropriation 1821 of chapter 2006-25, Laws of Florida, provided for the Mount Dora-Lake John Stormwater Improvements shall revert immediately and is appropriated for the Mount Dora Fourth Avenue Stormwater Project."

Section 114
Page 425

"SECTION 114. The sum of \$250,000 from the Insurance Regulatory Trust Fund in the Department of Financial Services collected pursuant to section 164 of chapter 2004-390, Laws of Florida, is hereby appropriated and transferred to the Florida Catastrophic Storm Risk Management Center at Florida State University for the analysis originally provided in the chapter law."

Section 129
Page 427 - A portion of proviso language

"DEPARTMENT OF TRANSPORTATION
State Transportation Trust Fund..... 160,000,000"

The portions of House Bill 5001 which are set forth herein with my objections are hereby vetoed, and all other portions of House Bill 5001 are hereby approved.

Sincerely,



Charlie Crist