



The Florida Legislative Committee on Intergovernmental Relations facilitates the development of intergovernmental policies and practices.

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Alton L. "Rip" Colvin, Jr.
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**Points of Interest
for
Floridians in State and Local
Government:**

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Federal Focus

Consolidated Appropriations Act of 2008

The Consolidated Appropriations Act of 2008 was signed by President Bush on December 26, 2007 and became P.L. 110-161. This omnibus spending vehicle included the outstanding appropriations for FY 2008, as well as an increase in funding for operations in Iraq and Afghanistan.

Key elements of the law include:

- ◇ *Grants to States for Medicaid*—\$141,628,056,000;
- ◇ *Child Nutrition Program*—\$13,901,513,000, to remain available through September 30, 2009, of which \$7,647,965,000 was appropriated;
- ◇ *Special Supplemental Nutrition Program for Women, Infants, and*

Children—\$6,020,000,000;

- ◇ *Food Stamp Program*—\$39,782,723,000, of which \$3,000,000,000 is to remain available through September 30, 2009;
- ◇ *Fresh Fruit and Vegetable Program*—\$9,900,000, to remain available until September 30, 2009, in conjunction with all unobligated balances available to the Secretary under section 18(g) of the Richard B. Russell National School Lunch Act;
- ◇ *National Institute of Standards and Technology*—\$440,517,000;
- ◇ *Tactical Wireless Law Enforcement Communication*—\$74,260,000 for implementing a nation-

wide integrated wireless system for federal law enforcement;

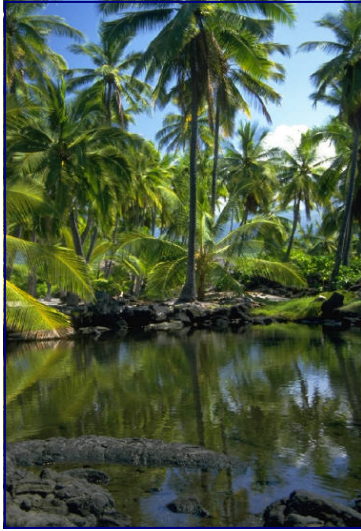
- ◇ *Violence Against Women and Prosecution Programs*—\$400,000,000;
- ◇ *State and Local Law Enforcement Assistance*—\$908,136,000;
- ◇ *Weed and Seed Program*—\$32,100,000 until expended;
- ◇ *Community Policing*—\$587,233,000 to remain available until expended;
- ◇ *South Florida Ecosystem*—\$130,669,000.
- ◇ *Herbert Hoover Dike*—\$54,884,000;
- ◇ *Wares Creek Dredging*—\$42,600,000; and
- ◇ *Community Development Block Grant*—\$3,593,430,000 through September 30, 2010.

Developing Issues—Sources: Congressional Quarterly, Department of Veteran Affairs, and Federal Funds Information for States

◇ Despite an automatic extension through September, reauthorization of No Child Left Behind is uncertain. The U.S. Court of Appeals for the Sixth Circuit recently held that the law “fails to provide clear notice as to who bears the additional cost of compliance.”

◇ An estimated 400,000 veterans who reside in the Central Florida area will have a new 134-bed hospital and outpatient clinic on Lake Nona Boulevard in Orlando. The full-service VA medical facility is expected to be operational in 2012.

◇ The Centers for Medicare and Medicaid Services have announced the abolishment of ten regional offices in an organizational move that embraces more centralized control of Medicare, Medicaid, and the State Children’s Health and Insurance Program.



Everglades Restoration Update—Courtesy Florida DEP

“Authorization is a necessary first step, but project construction can not happen without specific appropriations.”

Source: Stu Appelbaum, Deputy for Restoration Program Management, U.S. Army Corps of Engineers

The restoration of America’s Everglades is achieving much more than just restoring a national treasure. By returning a more natural water flow to the 2.4 million-acre marsh, restoration efforts are reviving habitats for more than 60 threatened and endangered species, establishing a reliable supply of water for millions of Floridians and providing flood control to the South Florida area.

The State of Florida has taken the lead in implementing the 30-year, \$10.9 billion Comprehensive Everglades Restoration Plan (CERP). To date, Florida has committed \$2.4 billion toward the 50-50 state/federal cost-share, acquiring over 217,000 acres of land to restore the South Florida ecosystem, and investing an additional \$1.8 billion in water quality improvements for the Everglades. By implementing the use of best management practices on farmlands and “green” technology, the amount of phosphorous entering the Everglades has been cut by as much as 60 percent compared to histori-

cal levels. In addition, Florida continues progress on its *Acceler8 program*, designed to speed up the construction of eight CERP projects. To date, 99 percent of the total land needed for these projects has been acquired, and design and/or construction is in progress for all project components.

Last spring, the State of Florida reaffirmed its commitment to restoration by passing the 2007 Northern Everglades and Estuaries Protection Program, expanding the restoration program to the northern Everglades, including Lake Okeechobee and the St. Lucie and Caloosahatchee Rivers and estuaries, as well as dedicating an additional \$100 million annually to restore these areas and extending the *Save Our Everglades Trust Fund* through 2020.

The federal government also recently demonstrated its continued dedication to the restoration by passing the *2007 Water Resources Development Act (WRDA)*. Despite a presidential veto, the bill became Public Law No. 110-114 on November 7, 2007, through a congress-

sional override. The legislation was the first reauthorization of WRDA legislation since 2000 and authorizes a number of critical Florida projects. Specifically, WRDA 2007 authorizes new projects under CERP including \$1.365 billion for Indian River Lagoon, \$375.33 million for Picayune Strand and \$80.8 million for Site I Impoundment. In addition, the Act includes necessary language to fund previously authorized projects at today’s costs, and increases the Critical Projects Federal cap from \$75 million to \$95 million.

Although WRDA does authorize these important projects, it does not appropriate any of the funding for them. It will be important for Florida’s environmental community to come together and to make sure the importance of restoring this important ecosystem is recognized by the local, state and federal governments who will authorize the funding. The same cooperation, partnership and united messaging that helped achieve WRDA’s passage will be required in continuing restoration efforts.

Lauren Aiello, Florida DEP

Tax Increase Prevention Act of 2007 Becomes Law

Signed by the President, on December 26, 2007, the *Tax Increase Prevention Act of 2007*, P.L. 110-166, amends the Internal Revenue Code to provide extensions through 2007 on:

- ◇ Increased alternative minimum tax (AMT) exemption amounts; and

- ◇ AMT relief for nonrefundable personal tax credits. Costs offsets were not included.

As expressed by U.S. Senate Committee on Finance Chairman Max Baucus upon passage of this legislation, “Congress saved 19 million American families from an unfair tax increase. This year, the long arm of the AMT

won’t reach out and touch taxpayers who were never meant to pay it.” Added Baucus, “I would have preferred to offset the cost of AMT relief, but moving ahead to protect taxpayers, even at some cost, was the right thing to do.”

Source: U.S. Senate Committee on Finance

Alternative Minimum Tax Filing—Courtesy the IRS

The new tax season started on time for everyone except certain taxpayers potentially affected by late enactment of the Alternative Minimum Tax (AMT) “patch.”

For the majority of taxpayers, the IRS began processing tax returns in mid-January. However, as many as 13.5 million taxpayers using five forms related to the AMT legislation will have to wait to file tax returns until the IRS completes the reprogramming of its systems for the new law. The IRS has targeted Feb. 11 as the potential starting date for taxpayers to begin submitting the five AMT-related returns affected by the legislation. The February date allows the IRS enough time to update and test its systems to accommodate the AMT changes without major disruptions to other operations related to the tax season. As the IRS has said previously, it will take approximately seven weeks after the AMT patch was approved to update IRS processing systems completely.

Although as many as 13.5 million taxpayers will not be able to file their returns until Feb. 11, the effect of the delay may be lessened by the fact that under previous filing patterns only between 3 million to 4 million taxpayers file returns with the five affected forms during these early weeks in the filing season. “We regret the inconvenience the delay will mean for millions of early tax filers, especially those expecting a refund,” said Linda Stiff, Acting IRS Commissioner.

“We’ve taken extraordinary steps to figure out a way that we can start the filing season on time for most taxpayers, including some using AMT-related forms. Our goal has always been to make sure we can accurately process tax returns while getting refunds to taxpayers as quickly as possible.”

The February delay caused by the AMT patch will affect taxpayers using any of these five forms:

- Form 8863, Education Credits;
- Form 5695, Residential Energy Credits;
- Form 1040A’s Schedule 2, Child and Dependent Care Expenses for Form 1040A Filers;
- Form 8396, Mortgage Interest Credit; and
- Form 8859, District of Columbia First-Time Homebuyer Credit.

While these five forms require significant additional reprogramming due to the AMT patch, the IRS has been able to reprogram its systems to begin processing seven other AMT-related forms, including Form 6251—Alternative Minimum Tax. Individual taxpayers filing these seven forms should not experience delays in filing. The IRS was scheduled to begin processing those returns on January 14.

Electronic returns involving the delayed forms will not be accepted until systems are updated in February. Similarly, paper filers should wait to file as well.

All other e-file and paper returns were accepted starting in January.

The IRS urges affected taxpayers to file electronically in order to reduce wait times for their refunds. E-filers with direct deposit get refunds in as few as 10 days, while paper returns take four to six weeks.

“E-file is a great option for everyone, especially if they are affected by the AMT,” said Richard Spires, IRS Deputy Commissioner for Operations Support. “Filing electronically will get people their refunds faster, and e-file greatly reduces the chances for making an error on the AMT or other tax issues.” In addition to filing electronically, the IRS urges taxpayers to take simple steps to avoid problems:

- Taxpayers filing electronically should make sure to update their tax software in order to get the latest AMT updates; and
- Taxpayers with \$54,000 or less in Adjusted Gross Income can use Free File to electronically file their returns for free. Free File will only be available by visiting the official IRS web site at www.irs.gov. In all, 90 million taxpayers qualify for this free service.

Taxpayers who use tax software to print out paper copies of tax forms should make sure they update their software before printing out forms. Taxpayers using paper forms can also visit www.irs.gov to get updated copies of AMT forms.

The IRS has created a special section on www.irs.gov to provide taxpayers with additional information.



The IRS has targeted February 11 as the potential starting date for taxpayers to begin submitting the five AMT-related returns affected by recent legislation. According to Senator Mel Martinez, “with this [AMT] patch, as many as 1 million hard working Floridians will avoid an excessive and unintended tax hike.”

**The Florida
Legislative Committee on
Intergovernmental Relations**

c/o Legislative Mail Services
Suite 4, Holland Building
600 S. Calhoun Street
Tallahassee, Florida 32399-1300

Phone: 850.488.9627
Fax: 850.487.6587
SunCom: 278.9627

*If you have suggestions or
questions regarding this
publication
please contact:*

Lydia R. Mount, Editor
Senior Leg. Analyst, LCIR
850.488.9627
Mount.Lydia@floridalcir.gov

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Our Website:**

*Review of Federal Funding to
Florida for Fiscal Year 2005*

<http://www.floridalcir.gov/UserContent/docs/File/reports/fedfunds05.pdf>

Other helpful sites:

- ◇ <http://www.grants.gov/>
Explains how to find and apply for federal grants
- ◇ <http://www.fedspending.org/tutorials.php>
Explains How to Access Data On Federal Spending

Real ID Final Rule

Courtesy of the Department of Homeland Security

The Department of Homeland Security (DHS) issued a final rule on January 11, 2008 to establish minimum standards for state-issued driver's licenses and identification cards in accordance with the *REAL ID Act of 2005*. These regulations set standards for states to meet the requirements of the *REAL ID Act*, including:

- information and security features that must be incorporated into each card;
- proof of identity and U.S. citizenship or legal status of an applicant;
- verification of the source documents provided by an applicant; and
- security standards for the offices that issue licenses and identification cards.

This final rule also provides a process for states to seek an additional extension of the compliance deadline to May 11, 2011, by demonstrating material compliance with the core requirements of the Act

and this rule.

Additionally, taking into consideration the operational burdens on State Departments of Motor Vehicles, this rule extends the enrollment time period to allow states determined by DHS to be in compliance with the Act to replace all licenses intended for official purpose with REAL ID-compliant cards by December 1, 2014 for people born after December 1, 1964, and by December 1, 2017 for those born on or before December 1, 1964. The final rule dramatically reduces state implementation costs by roughly 73 percent by giving states greater flexibility in the issuance of licenses to older Americans. "The American public's desire for greater identity protection is undeniable," said Homeland Security Secretary Michael Chertoff. He added, "Americans understand today that the 9/11 hijackers obtained 30 drivers licenses and ID's, and used 364 aliases."

As reported by DHS, "for an

extra \$8 per license, REAL ID will give law enforcement and security officials a powerful advantage against falsified documents, and it will bring some peace of mind to citizens wanting to protect their identity from theft."

Identity theft has increased by nearly 800 percent from 2000 to 2006, according to the Federal Trade Commission. U.S. Immigration and Customs Enforcement made 863 criminal arrests during various worksite enforcement operations in fiscal year 2007—more than 500 people were charged with crimes relating to federal and state document fraud—and their Identity and Benefit Fraud Units made 1,211 criminal arrests for document fraud related charges. The U.S. Secret Service made 4,348 arrests last year for identity theft.

DHS is making approximately \$360 million available to assist states with REAL ID implementation through combined funding sources.

Florida Legislative Committee on Intergovernmental Relations

Created in 1977 as the Advisory Council on Intergovernmental Relations and renamed the Florida Legislative Committee on Intergovernmental Relations (LCIR) in 1996, the Committee is statutorily authorized to do the following:

- 1) Serve as a forum for the discussion and study of intergovernmental problems.
- 2) Evaluate the interrelationships among local, regional, state, interstate, and federal agencies in the provision of public services and prepare studies and recommendations to improve organizational structure, operational efficiency, allocation of functional responsibility, and the delivery of service.
- 3) Analyze the structure, functions, revenue requirements and fiscal policies of the state and its political subdivisions.
- 4) Examine proposed and existing federal and state programs.
- 5) Review the research and recommendations of national commissions studying local government relationships and problems.
- 6) Analyze the fiscal impact of new state programs or amendments to existing programs on municipalities and counties.

◇ Section 11.70, F.S.(2006).