



CAPITOL UPDATE

February 18, 2019

Finance, Tax, & Administration



Major Local Preemption Bill To Be Heard

As currently drafted, [HB 3 \(Preemption of Local Regulations\)](#) would restrict local government's home rule authority with respect to businesses, occupations, and professions. Existing regulations would automatically expire in 2021 and future regulations would have automatic two-year sunsets. New "regulations" are very broadly defined in the bill. They would also not be able to take effect without undergoing a new state-dictated process and procedure, including layers of studies and research.

In addition, any adoption or re-adoption of any business regulation would be required to undergo a costly economic analysis. Regulations of professions and occupations would be preempted to the state.

The bill is scheduled to be heard in the House Business & Professions Subcommittee on Thursday, February 21 at 10:30 a.m. FAC and county lobbyist will be on hand to testify to the direct and indirect consequences of this bill. In addition, FAC asks you to please contact [committee members](#) to voice your concerns about the bill. This is its first of three committee stops.

Local Tax Referendum Bills

[HB 5 \(Local Tax Referenda\)](#) would require a two-thirds vote of the county governing board to authorize a discretionary sales surtax; would require local government discretionary sales surtax referenda be held at a general election only; and would require the referendum to be approved by two-thirds of the voters voting on the measure.

HB 5 is in direct opposition to a part of FAC's Finance, Tax, and Administration (FTA) policy statements, which specifically supports maintaining the integrity of county home rule power which allows counties to develop and implement community-based solutions to local problems, without state limitations. Also a component to the FTA legislative plan is the opposition to any state or federal unfunded mandates and preemptions that ultimately limit the ability of local elected officials to make fiscal and public policy decisions for the citizens to whom they are accountable.

The Senate companion ([SB 336](#)) passed its first committee stop on Wednesday, February 13.

FAC Rural Priority Bill Makes First Committee Stop

[SB 596 \(Regional Rural Development Grants\)](#) by Albritton will be heard in the Senate Commerce and Tourism Committee on Tuesday, February 19. The bill would increase the funds available for the economic development organizations that serve the rural areas of opportunity. It would also reduce the local match from the regional economic development organizations, increase the percentage of the project costs that could be covered by the Rural Infrastructure Fund, and clarify that eligible infrastructure projects include access to broadband internet service.

This is one of the priorities in FAC's Finance, Tax, and Administration legislative program.

FAC Contact:

For additional information, contact Laura Youmans via email at lyoumans@flcounties.com.

[Florida Legislature's efforts to undermine home rule reach 'dangerous level'](#)



FAC Rural Caucus Priority

White House Announces American Broadband Initiative

On Wednesday, February 13, the White House announced the American Broadband Initiative (ABI) during a Commerce Department conference with state broadband leaders. Signaling increased federal focus and coordination on the digital divide issue, the ABI creates a vision for how the Federal government can increase broadband access:

- The Commerce Department's National Telecommunications and Information Administration will create a one-stop shop for broadband permitting information on its BroadbandUSA website.
- The U.S. Department of Agriculture is preparing to deploy a new \$600 million broadband pilot program making investments in projects that deploy infrastructure in rural areas lacking connectivity.
- The U.S. Department of Interior has created a map that inventories over 7,000 tower locations on federal properties, which will help service providers locate equipment as they expand wireless and wireline broadband networks.
- The General Services Administration (GSA) has solicited input from the public on priority markets and assets needed to expand mobile access in under-served markets, and will work with Federal agencies to streamline commercial access to these markets. GSA will also revise the common application for permit requests and work to increase timeliness of processing the forms.

Federal Broadband Mapping Update

The announcement on the ABI was made in conjunction with an announcement that the National Telecommunications and Information Administration would be collaborating with eight states to broaden and update the national broadband availability map. The eight states – California, Maine, Massachusetts, Minnesota, North Carolina, Tennessee, Utah, and West Virginia – will contribute data and other inputs to the map.

The initial eight state partners were chosen because they reflect geographic diversity, participate in NTIA's State Broadband Leaders Network, have active state broadband plans or programs, and were willing to contribute data that can be combined with nationwide data sources to give policymakers a deeper understanding of broadband availability.

NTIA expects to seek participation from additional states, territories and federally recognized tribes that have broadband programs or related data-collection efforts. The initial map will include available nationwide data for every state combined with state-level data from the eight states.

FAC Contact:

For additional information, contact Laura Youmans via email at lyoumans@flcounties.com.

[Trump Administration Releases Rural Broadband Strategy](#)



FAC Data Point

Analysis of the Proposed Constitutional Amendment

“Right to Competitive Energy Market for Customers on Investor-Owned Utilities; Allowing Energy Choice”

On Monday, February 11, economists from the House, Senate, and Governor’s offices held a Financial Impact Estimating Conference meeting on a proposed amendment to Florida’s constitution. The proposed amendment would grant customers of investor-owned utilities “the right to choose their electricity provider and to generate and sell electricity.”

As the proposed amendment’s language is not self-executing, its passage at the ballot box in November 2020 would require the Legislature to adopt laws providing for competitive wholesale and retail markets for electricity in Florida by June 1, 2025. Additionally, the proposed amendment would limit investor-owned utilities to construction, operation, and repair of electrical transmission and distribution systems, while municipal and cooperative utilities would have the option to opt into the competitive markets for electricity.

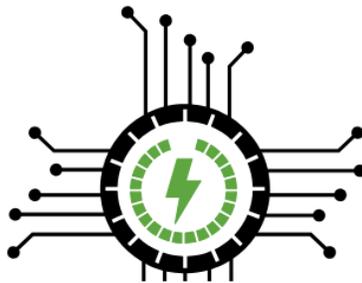
The Financial Impact Estimating Conference will hold future meetings on the proposed amendment, and is required to complete an analysis and financial impact statement on any anticipated increases or decreases in revenues to state or local governments in the event of the proposed amendment achieving voter approval in November 2020.



FRANCHISE FEES

\$178,830,140

(16 COUNTIES)



PUBLIC SERVICE TAXES

\$331,255,315

(15 COUNTIES)



COMBINED

\$510,085,455

(26 COUNTIES)

FAC staff have partnered with the Florida League of Cities to analyze the proposed amendment’s potential impact to local government revenues. At risk are revenues collected from franchise fees and public service taxes relating to electricity—the totals for each of which are above. Analysis is also in progress on the proposed amendment’s potential impact to revenues relating to sales and ad valorem taxation which affect every county in Florida.

Want to learn more? [Click here](#) for additional information on this proposed constitutional amendment.

FAC Contact:

For additional information, contact Casey Perkins via email at cperkins@flcounties.com.