



March 11, 2019

## Finance, Tax, & Administration

### *HB 5 (Discretionary Sales Surtaxes) Passes First Committee*

[HB 5](#) (Discretionary Sales Surtaxes) by Rep. DiCeglie and the Local, Federal & Veterans Affairs Subcommittee was reported favorably out of the same committee on Tuesday, March 5. This bill increases the thresholds to adopt local option surtaxes authorized under 212.055. For those levies required to be adopted by referendum, the bill would require a two-thirds vote of the county governing body to place the surtax on the ballot, the referenda could only be on the general election ballot, and would be required to be approved by 2/3 (66.66%) of the electors voting on the question.

An amendment to the bill adopted by the committee would make procedural changes to the performance audit requirement adopted in 2018. These changes would require the county or school board to notify OPPAGA of the pending referendum at least 180 days before the referendum is held. As amended, the bill would render any referendum that does not comply with the performance audit requirements invalid. The 2018 law was silent as to a notification timeline and penalty for non-compliance. The bill as amended also creates a process for citizen-initiated referenda to undergo the performance audit and be placed on the ballot.

The new provisions related to the performance audit would apply to referenda held after January 1, 2020. The remaining portions of the bill take effect upon becoming law (10 days from approval by the Governor). The bill passed favorably out of Local, Federal & Veterans Affairs Subcommittee by a 9-3 vote with Reps. Eskamani, Jenne, and Silvers voting in opposition.

It is scheduled to be heard on March 12 in the House Ways & Means Committee.

***Want to learn more about the impacts of HB 5? Scroll down to the FAC Data Point.***



## COME LOBBY AGAINST HB 5

*Register for the 2019 Legislative Day now!*

**MARCH 27, 2019**

**LEON COUNTY**

### *Regional Rural Development Grants Bill Passes First Committees in Both the House & Senate*

[HB 671](#) (Regional Rural Development Grants Program) by Rep. Clemons was reported favorably by the House Workforce Development

and Tourism Subcommittee on Thursday, March 7. This was its first of three stops in the House.

The bill would increase the annual grant awards for regional economic development organizations, which are defined in the bill to be those economic organizations located within a designated rural area of opportunity.



*FAC 2nd Vice President & Wakulla County Commissioner, Ralph Thomas, testifies in favor of HB 671.*

It would also reduce the local match requirement. The bill would increase the maximum allowable expenditure from the Regional Rural Development Grant Program from \$750,000 to \$1 million. The bill would have no fiscal impact on state funds, however, because the appropriation for the Rural Community Development Revolving Loan Fund, which funds the grant program, remains unchanged. The bill would also increase the percentage of the project costs that could be covered by the Rural Infrastructure Fund and clarifies that eligible infrastructure projects include access to broadband internet service. Finally, the bill would require contracts associated with funding from both programs include certain provisions and be posted online at least 14 days prior to execution.

The companion bill, [SB 596](#) (Regional Rural Development Grants) by Albritton is scheduled to be heard in the Senate Innovation, Industry, and Technology Committee on Tuesday, March 12. This will be its second of three stops. It was passed unanimously out of its first committee, Senate Commerce and Tourism, on February 19.

## MOBILE APP LAUNCH

NACo has partnered with the Local Initiatives Support Corporation (LISC) and the Rural Community Assistance Partnership (RCAP) to develop a mobile app designed to identify areas with low or no connectivity to help ensure adequate funding for broadband infrastructure is provided.

**[Click here to learn more!](#)**



## *House Committee Bill Aimed at Changing a "Fee" to a "Tax"*

[HB 7053](#) (Taxation Transparency) by the House Ways & Means Committee was filed on March 6. The bill would redesignate several state and local revenue sources, requiring the names of those source to be changed from "fee" to "tax." The bill would require the following local revenue source redesignations:

- Special assessments or non-as valorem assessments would be retitled "special benefit tax";
- Impact fees and mobility fees would be retitled "development impact tax";
- Franchise fees would be retitled "franchise tax";
- Charges to pay the cost of regulation must be titled "in a manner reasonably consistent with the type of regulation and change in question."

The bill provides that it does not affect a county's power under the constitution to impose non-tax levies and expresses the Legislature's intent that such levies only be "titled and represented to the public as taxes." However, during the committee's hearing of the bill, Rep. Eskamani did raise concerns about the legal consequences of the changes, in light of the significant body of case law defining those revenues that may be levied under local government home rule authority and those that must be authorized by the Legislature.

## *Bill Filed to Aid in Hurricane*

## *Michael Relief*

[SB 1610](#) (Emergency Mitigation and Response) was introduced by Sen. Montford and co-sponsors Sens. Gainer and Broxson who represent the area hit by Hurricane Michael during a well-attended press conference on Thursday, March 7.

The bill is tailored to address response and recovery from Hurricane Michael, but also has several provisions that affect hurricane recovery more broadly.



*Sen. Gainer speaks at the press conference held on Thursday, March 7.*

For FY 2019-2020, \$300 million would be appropriated to create the Public Facilities Hurricane Restoration Cash Flow Loan Program created for counties, cities, and school boards affected by Hurricane Michael to enable them to make timely payments to contractors and suppliers.

The bill creates a Hurricane Michael Recovery Task Force to make recommendations on response, recovery, and mitigation of effects of Hurricane Michael and to review local, state, and federal activities and resources provided, effectiveness of such efforts, and any additional assistance necessary. Membership is a member from each of the following: business community, agricultural interests, fishing industry, emergency response, and housing interests. Findings must be reported to the Senate President, House Speaker, and Governor by Dec. 15, 2019.

The bill would require DEM to prepare an after-action report on shelter operations to be reported to the Speaker of the House, Senate President, and Governor by December 15, 2019 and would appropriate \$200,000 to DEM to procure a consultant to conduct a study of facilities used as emergency operations centers. The report should look at operations and also whether there should be multi-county operations centers or upgrades to existing centers.

To learn more about what the bill would do, please [click here](#).

### **FAC Contact:**

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## EDITORIAL WRITTEN BY FAC PRESIDENT

# The Palm Beach Post

REAL NEWS STARTS HERE

### **Point of View: A new legislative session, Florida lawmakers up to same old assault on home rule**

You can't teach an old dog new tricks — or, so they say. Conversely, I was taught — and teach my children — you're never too old to learn. This rule applies to dogs, cats and people — even Florida lawmakers. Nevertheless, some Tallahassee politicians refuse to learn.



## Growth Management, Agriculture, Transportation, & Environment

*Coastal Management Bill Passes Committee in Both House & Senate*  
[HB 325](#) (Coastal Management) by Rep. Chip LaMarca passed its second of three committee this

week, while [SB 446](#) by Sen. Mayfield passed its first of three committees. These bills modernize and refine the criteria for ranking beach and inlet sand management projects to better capture the economic importance of healthy beaches to tourism, storm damage reduction and resource protection. In addition, there are criteria to rank projects based on federal and local matching funds, recreational benefits, project significance, project mobility, readiness to proceed, dune enhancement and habitat protection, and strategies to conserve sand resources. The bills also enhance inlet funding to refocus attention on effective sand management at our inlets and create a 3-year work plan so that Florida can maximize federal dollars and project sponsors can anticipate required funding needs, finalize design, and secure permits and easements, so projects can proceed to timely construction. FAC thanks Rep. LaMarca and Sen. Mayfield for their efforts to strengthen the statewide beach management program.

### *Wetland Mitigation Bill Passes First Committee in Senate, On Agenda This Week in House*

As filed, [HB 521](#) (Wetland Mitigation) by Rep. McClure repeals statutory language that restricts mitigation projects on government-owned land and provides that state and federal sequencing requirements would apply to all mitigation. [SB 532](#) by Sen. Lee passed its first committee this week with an amendment. Under this bill, the restrictions on mitigation projects on government-owned land in current law remain. However, the bill authorizes a local government to allow permittee-responsible mitigation consisting of the restoration or enhancement of lands purchased and owned by a local government for conservation purposes, if state and federal mitigation credits are not available to offset the adverse impacts of a project. These bills are a step in the right direction for local governments and wetland mitigation.

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## Health & Safety

### *Florida Senate Passes Smoke-able Medical Marijuana Bill*

The Florida Senate declared the right to use medical marijuana on Thursday afternoon; passing its first bill of the 2019 session. [SB 182](#) sponsored by Sen. Jeff Brandes of St. Petersburg, adds the word “smoking” to the medical marijuana constitutional amendment and now allows patients to receive up to 2.5 ounces of the drug every 35 days as recommended by their skilled physician. However, it prohibits smoking in public and in areas such as drug-free workplaces. In addition, SB 182 requires a second opinion from a board-certified pediatrician for non-terminal patients under 18 and removes a provision that prohibits a medical marijuana treatment center from selling products such as bongos, pipes, grinders, and rolling wrappers. Brandes’ bill also creates a Medical Marijuana Research and Education Board to guide the operations of a research consortium established by the State University System’s Board of Governors, which will obtain \$1.5 million for the program.

While the bill passed on the Senate floor with a vote of 34-4; Sen. Keith Perry, R-Gainesville, Sen. Doug Broxson, R-Gulf Breeze, Sen. George Gainer, R-Panama City, and Sen. Ed Hooper, R-Clearwater voted no. Sen Perry expressed that he felt they were moving too fast and should complete all research before making another move on additional legislation. The House companion (HB 7015) has not made it to the floor yet.

### *Benefits for Firefighters Bill Passes Second Committee*

Firefighters and family members of fallen first responders were present for a standing room Senate Community Affairs committee meeting to share their stories and speak in support of [SB 426](#) (Firefighters). Senator Anitere Flores’ bill allows firefighters who are diagnosed with one of twenty-one enumerated cancers as (defined in Section 1 of the bill) eligible to receive certain disability or death benefits.



*A demonstration for firefighters held at the Capitol*

A firefighter is entitled to cancer treatment and a one-time cash payout of \$25,000, upon the firefighter's initial diagnosis of cancer in lieu of pursuing workers' compensation coverage. To be entitled to such benefits, the firefighter must:

- Be employed full-time as a firefighter
- Be employed by the state, university, city, county, port authority, special district, or fire control district
- Have been employed by his or her employer for at least 5 continuous years
- Not have used tobacco products for at least the preceding 5 years
- Have not been employed in any other position in the preceding 5 years which is proven to create a higher risk for cancer.

Currently under Florida law, a firefighter may be entitled to benefits upon proving that exposure to an explicit toxic substance, at the levels to which the first responder was exposed, can cause the injury or disease sustained by the employee and that the exposure arose out of employment.

To read more about the implications to county government, please [click here](#).

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## NEWS ARTICLES ON MEDICAL MARIJUANA

[Senate votes overwhelmingly to allow smoking of medical marijuana](#)

The logo for the Miami Herald, featuring the words "Miami Herald" in a large, blue, gothic-style serif font.

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### FAC Data Point

#### *Potential Impacts of HB 5*

If passed by the Florida Legislature and signed by the Governor, House Bill 5 will increase the voting threshold for county governments and school districts to amend rates on surtaxes from a simple majority to a two-thirds majority. The increased threshold would apply not just to votes taken by county commission and school district boards, but also to local referenda voted on by local citizens.

County governments and school boards use revenues from surtaxes to fund transportation systems, infrastructure needs, small county issues, indigent care and trauma centers, public hospitals, school facilities, and emergency fire rescue services. In 2018, there were 11 local referenda votes to establish or increase surtaxes to fund local projects, with all but one referendum passing by receiving approval from the majority of local citizens who voted. Had House Bill 5 been in effect during this most recent election, it would have overturned the majority approval in 9 out of the ten referenda that passed by requiring a two-thirds majority.

# HB 5 Potential Impact

## ON LOCAL SURTAX REFERENDA IN 2018

# 9

out of 11  
PASSED referenda  
(by local citizen majority vote)  
would have been  
overturned



# 2

out of 11  
PASSED referenda  
(by local citizen majority vote)  
would NOT have been  
overturned

Examples requiring so-called supermajority voting thresholds in Florida include the 60 percent threshold required for voters to pass a constitutional amendment, and the two-thirds threshold required for the State Legislature to increase any taxes. Each of these supermajority thresholds were first established, however, by receiving approval in advance from Florida voters, as these provisions were voted into the State Constitution in 2006 and 2018 respectively. If passed and signed into law, House Bill 5 would be the first example of its kind in Florida where a supermajority vote is required without first being voted on directly by voters.

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