



# CAPITOL UPDATE

September 20, 2019

## Updates from the First Committee Week of the 2020 Legislative Session

This week the state legislature convened for its first committee week of the 2020 Legislative Session. Legislators were in town Monday thru Thursday with substantive committees meeting on weighty issues to get educated and updated from the last legislative session. While hearing from state and national experts on a variety of topics, legislators hope to put themselves in a good posture to propose and debate a variety of legislation in the coming weeks.

Summaries of a few committee meetings are below but to view all of the summaries please visit our [Policy Action Center](#).



## Community, **Health** & Safety

### Senate Judiciary Committee

[SB 118 – Security in Trial Court Facilities](#) by Sen. Gruters was heard for its first committee stop on Tuesday, September 17th in the Senate Judiciary Committee. The bill specifically requires the sheriff of each county to confer with his/her board of county commissioners and the chief judge of that judicial circuit to develop a comprehensive safety plan for the courthouse facilities. FAC staff waived in support of the legislation. The bill passed unanimously through committee, and has two further committees of reference. Similar bill, [HB 131 – Security in Trial Facilities](#) by Rep. McClain has not yet been referred to committees.

### House Transportation & Tourism Appropriations Subcommittee

The Department of Economic Opportunity presented its budget requests to the House Transportation & Tourism Appropriations Subcommittee for FY 2020-21 on Wednesday, September 18th. DEO is requesting an increase in the Job Growth Grant Fund to \$85 million after three years of overwhelming community demand. DEO also requested \$50 million for Visit Florida; \$10 million for Enterprise Florida; \$7 million for the Space Florida Aerospace Financing Fund; and \$28.1 million to fund the Economic Development Toolkit.

### Senate Transportation, Tourism, & Economic Development Appropriations Subcommittee

Jaimie Ross of the Sadowski Coalition gave a presentation to the Senate Appropriations Subcommittee on Transportation, Tourism, & Economic Development on Wednesday, September 18th. She reinforced the necessity to stop sweeping the Sadowski Trust Fund. A subsequent presentation on affordable housing needs was given by Anne Ray of the Shimberg Center for Housing Studies at the University of Florida such as the problem of student homelessness, and the need for smaller and more accessible housing options.

## Other Committees

The following committees also met this week: Senate Infrastructure & Security; Senate Education; Senate Health; House Judiciary; Senate Children, Families, & Elder Affairs; House Local, Federal, & Veterans Affairs Subcommittee; House Business & Professions Subcommittee; House Transportation & Infrastructure Subcommittee; and the House Insurance & Banking Subcommittee.

To view updates on their meetings, please visit the [Community, Health & Safety](#) subsection on the Policy Action Center.

### FAC Contact:

For additional information, please contact Tonnelle Graham at [tgraham@flcounties.com](mailto:tgraham@flcounties.com).



## Growth, Agriculture, Transportation, & Environment

### House Agriculture & Natural Resources Subcommittee

The Florida House Agriculture & Natural Resources Subcommittee heard several presentations from the Department of Environmental Protection. The first presentation featured an update on Springs Restoration Projects highlighting ongoing funding focused on water quality and quantity. DEP continues to partner with stakeholders on best management practices, septic upgrade incentives, cost-benefit analysis for projects, and shovel-ready projects. The Subcommittee also heard from DEP on implementation of [SB 10](#) (2017), relating to the EAA Storage Reservoir and A-2 Stormwater Treatment Area. The third presentation updated the subcommittee on DEP's biosolids rule development.

### Other Committees

The Senate Committee on Agriculture and the Senate Agriculture, Environment, & General Government Appropriations Subcommittee also met this week.

To view updates on their meetings, please visit the [Growth, Agriculture, Transportation, & Environment](#) subsection on the Policy Action Center.

### FAC Contact:

For additional information, please contact Susan Harbin at [sharbin@flcounties.com](mailto:sharbin@flcounties.com).

## News Articles On The Environment

[Waterworks: House panel talks springs, Everglades restoration](#)

**FLAPOL**



## Finance, Tax, & Administration

### House and Senate Appropriations Committees

Office of Economic & Demographic Research Coordinator Amy Baker presented to both the House Appropriations Committee and Senate Appropriations Committee on the State's Long Range Financial Outlook. The Outlook was adopted last week during the Joint Legislative Budget Commission.

The outlook cautioned lawmakers on key economic drivers that indicate a potential for a recession and

reduced growth/revenue in the next fiscal year. The report also highlighted the Florida economy's reliance on tourism which may be susceptible to global economic pressures.

Highlights of the presentation included noting the current 10-year expansion period which is the longest on record, slower expansion predicted in 2020 with the potential for a recession, the highest budget reserves in ten years, and stressed that revenue is trending \$867 million lower over the next two fiscal years.

**FAC Contact:**

For additional information, please contact Laura Youmans via email at [lyoumans@flcounties.com](mailto:lyoumans@flcounties.com).



## FAC Data Point

### Opportunity Zones

With the passage of the 2017 *Investing in Opportunity Act* by Senators Cory Booker (D-NJ) and Tim Scott (R-SC), local and state governments now have a useful new tool to spurn forward economic development in financially distressed areas. **Opportunity Zones** are tax incentive programs for private investors, entrepreneurs, and community stakeholders who put capital into certain forms of targeted investment that help turn around census tracts struggling with economic blight while making a profit. Aiding both rural and urban areas, many of these areas have populations that struggle with poverty and socio-economic problems.

**Terms to Know:**

**Opportunity Funds:** A private sector investment vehicle acting as a corporation or partnership with investors all over the country. **Unrealized capital gains** are a perfect untapped source for economic development; a natural fit for Opportunity Fund resources.

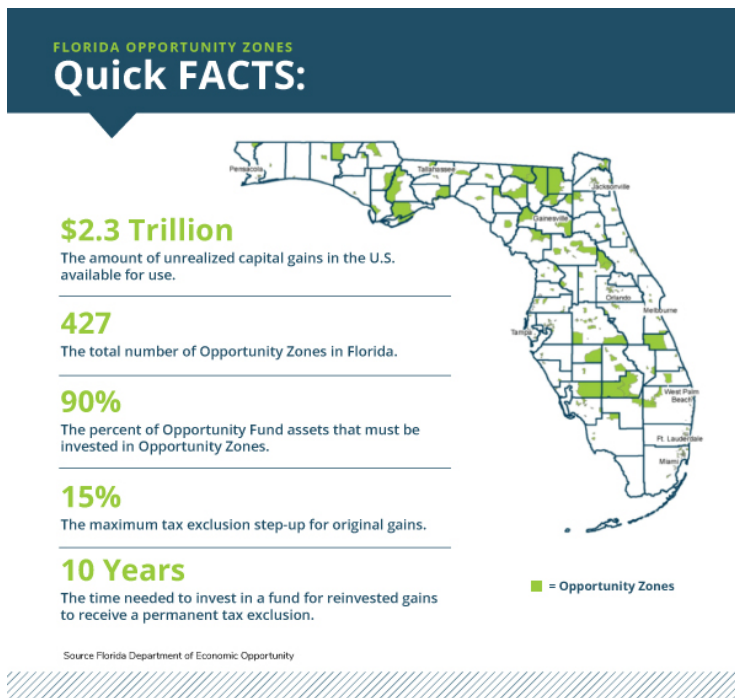
**Opportunity Zone Property:** Investments may be made through any stock in a domestic corporation, any capital or profits interest in a domestic partnership, or tangible property used in a trade or business of the qualified opportunity fund that substantially improves the property.

**Incentives:** In this context, incentives refer to the tax benefit investors receive when they invest within the Opportunity Zones over several years. This could take the form of either a capital gain **temporary tax deferral**, a **step-up in basis** for original gains, or eventually even a **permanent tax exclusion** from reinvested capital gains income.

*\*Please note that Opportunity Zones are a relatively new mechanism that is rapidly evolving. To stay up to date on the latest developments and regulations on Opportunity Zones, and for more specifics, please visit the [Florida Department of Economic Opportunity](#), the [U.S. Department of Commerce](#), and the [Economic Innovation Group](#).*

**FAC Contact:**

For additional information, please contact Shane Roerk via email at [sroerk@flcounties.com](mailto:sroerk@flcounties.com).





## Other **Legislative** Announcements

### **Revised County Reporting Form for New Local Government Financial Reporting Requirement**

Due to legislation passed during the 2019 Legislative Session, county budget officers are now required to electronically submit to the Office of Economic and Demographic Research (EDR) specified information regarding the final budget and economic status of the local government, beginning October 15, 2019 and each October 15th thereafter. EDR has posted the revised County Reporting Form, Instructions for Completing Reporting Form, and Answers to Frequently Asked Questions. This information is posted on the EDR's Local Government Financial Reporting webpage [here](#).

**EDR Contact:**

For more information, please contact Steven O'Cain, Senior Legislative Analyst at EDR at (850) 717-0470 or at [ocain.steve@leg.state.fl.us](mailto:ocain.steve@leg.state.fl.us).