

LEGISLATIVE HIGHLIGHTS



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# **WHY FLORIDA** COUNTIES

MAINTAINING SAFE & SECURE

Annual county criminal filings down 38.77% the past 10 years COMMUNITIES

#### CONDUCTING **ELECTIONS**

**TOURISM** 

SUPPORTING

**VETERANS** 

veterans

**DEVELOPMENT** 

66.358 million visitors in 2020

Counties invest nearly \$15 million annually

in economic and workforce development for

Over 8.4 million ballots cast in 2018 General elections; 77% turnout in 2020 general election





#### MAINTAINING AN EFFECTIVE

JUSTICE SYSTEM Counties invest nearly \$1 billion into local courts



CONSTRUCTING, MAINTAINING, **& PROTECTING THE FACILITIES** FOR CIVIL & CRIMINAL COURT

Over \$600 million annually invested to maintain and protect local courts



#### **DEVELOPING &** MAINTAINING ROADS



Counties maintain 70,299.420 miles of



providing services for over

MILLION PEOPLE



#### **PROTECTING** FLORIDA'S NATURAL **RESOURCES**

Over \$350 million annually to conservation and resource management



RECYCLING

Nearly 19.7 million tons annually

IMPLEMENTING WORKFORCE **DEVELOPMENT &** AFFORDABLE HOUSING Nearly \$700 million annually

**FUNDING COMMUNITY** 

**HEALTH SERVICES** 





**ENSURING ADEQUATE** WATER SUPPLY, WATERSHED PLANNING, & FLOOD CONTROL

More than \$190 million in flood and stormwater control annually

Over \$3.6 billion annually



Over \$5 billion annually





IMPLEMENTING JUVENILE JUSTICE **DETENTION & PREVENTION** PROGRAMMING Youth arrests down 35% the past 5 years

**FUNDING PUBLIC LIBRARIES** 

82 library systems with 559 service outlets and more than 67 million visits annually

#### **COUNTY POPULATION INFORMATION**



**8 URBAN COUNTIES** 

With a total population of 11,568,380



29 FISCALLY-**CONSTRAINED COUNTIES** 

With a total population of 905,959



LARGEST COUNTY MIAMI-DADE

with 2,832,794 residents



31 MEDIUM COUNTIES

with a total population of 11,427,619

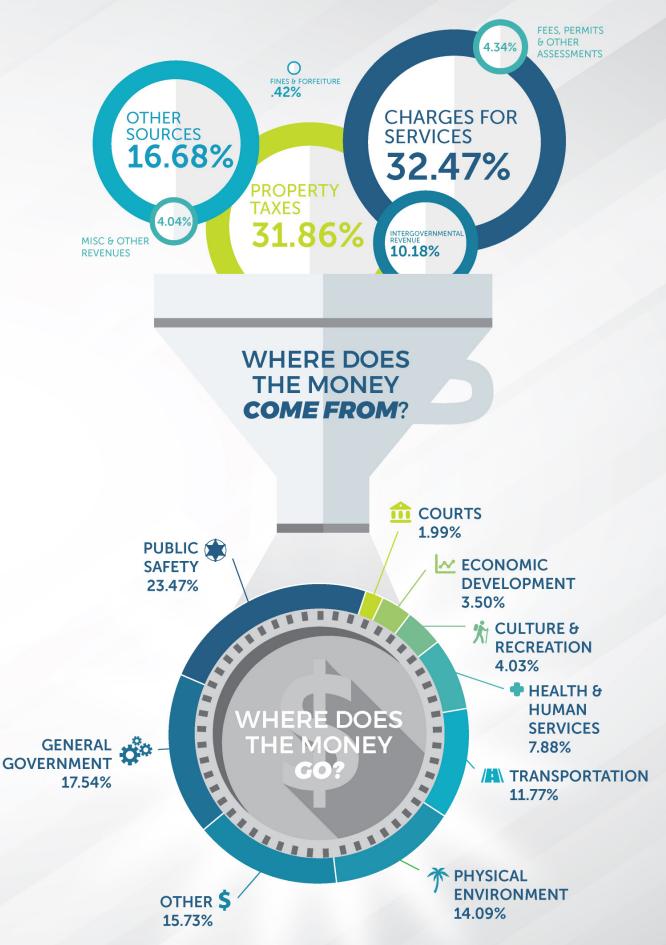


**35 COASTAL COUNTIES** 

with 825 miles of beaches



**SMALLEST COUNTY** LIBERTY with 8,575 residents



Source: 2017/18 Office of Economic & Demographic Research

# ACCESS

#### What is Access 67?

ACCESS 67 is an initiative of the Florida Association of Counties (FAC) to implement a comprehensive approach to empowering our members to develop solutions to address the impacts of the lack of ACCESS to critical telecommunication and information technology resources in Florida communities.



FAC recognizes that this lack of ACCESS impacts small, medium and large counties, as well as, Florida's rural and urban communities. Additionally, the lack of ACCESS impacts multiple policy areas that FAC's members are responsible for in the governance of their local communities to include, but are not limited to, public safety, healthcare, economic development and education.

The comprehensive approach of the ACCESS 67 Initiative is based on the underlying principles of the Association's mission; Advocacy, Collaboration, and Education.

- FAC, as directed by its members, will advocate for the adoption and implementation of state and federal policies that contribute to the development of solutions that address the lack of ACCESS in our local communities.
- FAC will identify opportunities and provide support for our members to collaborate with other stakeholders who share a common goal in developing solutions to address the lack of ACCESS in our local communities.
- FAC and the Institute for County Government will develop and produce educational content designed
  to empower our members with information that will assist them in developing effective local solutions
  to the impacts of the lack of ACCESS in their communities. These educational efforts will be inclusive
  of the facilitation of the sharing of best practices among Florida's counties and similar communities
  and organizations from around the country.

98.3% of Florida's urban population has access to broadband (at least 25 mbps)

while only

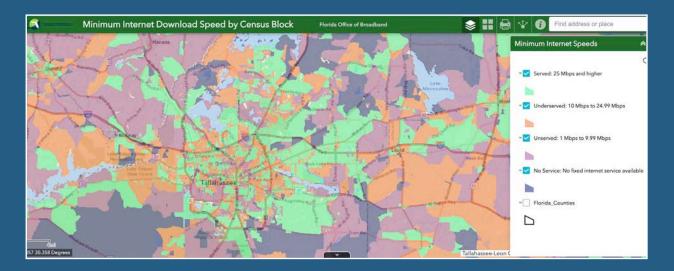
80.3% of Florida's rural population has access to broadband connection

# Legislation and Program Supporting Access 67

In the 2020 legislative session, HB 969 was signed into law which designated the DEO as the lead state entity to facilitate the expansion of broadband, established the Florida Office of Broadband within the Division of Community Development and encouraged expansion of broadband services in underserved areas. Beginning in FY2022-23, \$5M annually with be administered by the FDOT through the Florida's Turnpike Enterprise, to support projects that aid in development of broadband infrastructure with priority given to rural counties in need.

#### Office of Broadband at Department of Economic Opportunity

The Florida Office of Broadband created a State of Florida Minimum Internet Download Speeds Map, to showcase areas in the State that are between download speeds of 3-25 Mbps (megabytes per second). The map indicates areas that are served, underserved, or unserved based on download speed.



## **ACCESS**

#### **Broadband's Impact**



**EDUCATION: REMOTE LEARNING** 



**HEALTHCARE** 



**ECONOMIC DEVELOPMENT AND INFRASTRUCTURE** 



**AGRICULTURE -MODERN TECHNOLOGY** 



**MOBILITY EXPANSION** 



**CIVIC ENGAGEMENT: REMOTE MEETINGS, LIVE STREAMING SERVICES** 



#### **PUBLIC SAFETY-IMPROVED EMERGENCY MANAGEMENT**



The National Association of Counties (NACo) has launched the TestIT app allowing people across the country to test their download speed and for NACo and its partners to aggregate the data to see where the highest needs are for broadband.

## **AFFORDABLE** HOUSING

Affordable housing is a continual obstacle for Floridians. As it stands, a full-time hourly worker making minimum wage, \$8.56, would need to work 114 hours a week to afford a modest two-bedroom rental. Meanwhile, the average housing wage, or the hourly wage when full time workers spend no more than 30% of income on housing expenses, for Florida is \$24.43 an hour.

By comparison 65% of Floridian jobs make less than \$20 an hour as of 2018. Currently, the rent affordable for one person at the minimum wage is \$445 a month, while fair market rent for a modest two bedroom is \$1,270. At the fair market rent, a Floridian would need 2.9 full-time jobs at minimum wage to afford a two-bedroom home. Advocates from all corners of Florida including the Florida Realtors, Homebuilders, Chamber of Commerce, Legal Services, and Conference of Catholic Bishops have joined together to form the Sadowski Coalition to advocate for struggling Floridians.



A FULL-TIME WORKER MAKING **AN HOUR** 



**WOULD NEED TO** WORK

**HOURS/WEEK** 



TO AFFORD A MODEST

2 Bdrm







AT THE FAIR MARKET RENT, A FLORIDIAN WOULD NEED

## 2.9 full-time jobs

AT MINIMUM WAGE TO AFFORD A TWO-BEDROOM RENTAL

#### **Key Message Point:**

The Florida Association of Counties (FAC) supports appropriating the full amount of dedicated documentary tax revenues from the Sadowski housing trust funds to fund state and local affordable housing programs, and opposes the Legislature transferring unappropriated funds from the housing trust funds to general revenue or other uses. If fully appropriated, the Sadowski Coalition projects 30,000 new jobs would be created with an over \$4.4 billion economic impact.

# AFFORDABLE HOUSING

While Florida law provides for a dedicated funding source for affordable housing programs to ease this burden, the Legislature routinely raids these trust funds when building the annual state budget. The Legislature has swept funds – partially or totally – from the housing trust funds every year since the 2008-09 fiscal year into the General Revenue fund for various unrelated projects.

Governor DeSantis vetoed SHIP funding from the FY 2020-21 budget, this means all funds (225 million) remain in the Local Government Housing Trust Fund until the Florida Legislature decides to disperse it due to COVID-19 costs.

## Affordable Housing (Vetoed):

Veto the SFY 2020-2021 budget allocates \$225 million for the State Housing Initiatives Partnership (SHIP).

The SFY 2020-2021 budget allocates \$115 million for the State Apartment Incentive Loan Program (SAIL).

The SFY 2020-2021 budget allocates \$30 million for the Hurricane Housing Recovery Program (HHRP).

The Legislature **did not** sweep funds from the **Sadowski Affordable Housing Trust Fund**.

#### Florida Affordable Housing and CARES ACT

In June 2020, Florida received \$250 million dollars funded by the CRF (Coronavirus Relief Fund) and was made available to the Florida Housing Finance Corporation (FHFC). Florida is using CARES Act funding for rental and mortgage relief, as well as assistance programs. Governor DeSantis allocated \$250 million of the CARES Act funding for rental and mortgage assistance to aid Florida families directly impacted by COVID-19 hardships. Of the \$250M, \$120M went to short-term rental assistance on multifamily rental properties, for properties funded by FHFC. An additional 120M went to counties re-employment assistance rates, which include homeowner's assistance programs such as new construction, mortgage buydowns, down payments administered by SHIP for those affected by COVID-19. As of now, the programs under the Florida Coronavirus Relief Fund through FHFC will end December 30, 2020.

#### **BACKGROUND:**

Enacted in 1992, the William E. Sadowski Affordable Housing Act provides a dedicated revenue source for the State and Local Housing Trust Funds. The programs are funded through the state's documentary tax on real estate transactions. Seventy percent of fund proceeds go into the Local Government Housing Trust Fund for the State Housing Initiatives Partnership (SHIP) Program, which allocates funds to local governments (counties and larger cities) for housing programs that produce and preserve affordable homeownership and multifamily housing for very low, low and moderate-income families. Thirty percent of fund proceeds go to the State Housing Trust Fund for programs such as the State Apartment Incentive Loan (SAIL) Program.

MAX MAX

# COVID & CARES ACT

#### **Summary:**

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act; P.L. 116-136), signed into law on March 27, 2020, created the Coronavirus Relief Fund, which provided \$150 billion in direct assistance for domestic governments.

#### **Key Points and Data:**

The State of Florida was allocated approximately \$8.328 Billion in funding from the Coronavirus Relief Fund. Of this amount, Florida's 12 largest counties (Counties with populations greater than 500,000 people) were direct funded by the U.S. Treasury Department for a total of approximately \$2.472 Billion. Florida's other 55 counties received allocations in total of approximately \$1.275 Billion as determined by the Governors Office as a part of the distribution of funds received by the State of Florida. The chart below details each county's approximate allocation of funding from the CARES Act.

**CARES Allocation by County\*** - Counties with a population less than 500,000 allocation.

Alachua County	\$46,945,928	Hamilton County \$2,409,91		Nassau County	\$15,464,380
Baker County	\$4,920,856	Hardee County	\$5,096,920	Okaloosa County	\$36,772,156
Bay County	\$30,484,676	Hendry County	\$7,332,516	Okeechobee	
Bradford County	\$4,700,300	Hernando County \$33,837,544 County		County	\$7,241,952
Calhoun County	\$2,485,816	Highlands County	\$18,534,744 Osceola County		\$65,565,648
Charlotte County	\$32,963,340	Holmes County	\$3,423,016 Putnam County		\$12,952,212
Citrus County	\$26,113,992	Indian River County \$27,905,332 Santa Rosa County		\$32,161,196	
Clay County	\$38,257,784	Jackson County	\$7,357,992	Sarasota County	\$75,684,632
Collier County	\$67,162,428	Jefferson County	\$2,658,740	Seminole County	\$82,330,000
Columbia County	\$12,508,656	Lafayette County	\$1,469,576	St. Johns County	\$46,183,224
DeSoto County	\$6,630,880	Lake County	\$64,059,260	Ot Lucia County	
Dixie County	\$2,936,008	Leon County		\$51,227,796 Sumter County	
Escambia County	\$57,285,296	Levy County	\$7,750,424	\$7.750.424 Suwannee County	
Flagler County	\$20,080,748	Liberty County	\$1,457,708	Taylor County	\$3,763,624
Franklin County	\$2,115,720	Madison County	\$3,242,416	Union County	
Gadsden County	\$7,967,316	Manatee County	\$70,364,540	Walsulla Oausaku	
Gilchrist County	\$3,226,884	Marion County \$63,790,716		Walton County	\$12,924,820
Glades County	\$2,461,212	Martin County	\$28,093,260 Washington County		\$4,444,844
Gulf County	\$2,517,576	Monroe County	\$13,003,340	TOTAL	\$1,275,285,792
	7-101710		4.5,000,010		

<sup>\*</sup>these funds have been allocated to the counties from the state, this does not represent the money spent by counties\*

During the 2020-21 policy development process FAC members unanimously adopted a position to urge Congress to support the continuation of funding to state and local governments to assist with critical local response efforts to the COVID-19 pandemic.

## COVID & CARES ACT

#### **BACKGROUND: CARES ACT**

The CARES Act provided that its allocations could only be used to cover costs that—

- 1. are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
- 2. were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or local government; and
- 3. were incurred during the period that begins on March 1, 2020, and ends on December 20, 2021.

#### Nonexclusive examples of eligible expenditures

Eligible expenditures include, but are not limited to, payment for:

- 1. Medical expenses.
- 2. Public health expenses.
- 3. Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID- 19 public health emergency.
- **4.** Expenses of actions to facilitate compliance with COVID-19-related public health measures.
- **5.** Expenses associated with the provision of economic support in connection with the COVID-19 public health emergency.
- 6. Any other COVID-19-related expenses reasonably necessary to the function of government that satisfy the Fund's eligibility criteria.



# COVID & CARES ACT



OR
6%
OF TOTAL
FUNDS
SET ASIDE FOR
STATES

ALTHOUGH ITS POPULATION IS APPX.

**6.6%**OF TOTAL U.S.
POPULATION



Local governments serving a population of at least 500,000, as measured in the most recent census data, may elect to receive assistance directly from Treasury. Such direct local assistance allocations reduce the allocation made to the state government (keeping the state allocation constant) and are equal to the product of:

- the state or territory allocation amount;
- the percentage of the state or territory population served by the local government; and
- 45%

FLORIDA ALLOCATION	\$8.328 BILLION			
<b>55%</b> Reserved for State of Florida:	\$4.584 BILLION			
<b>45</b> % Reserved for Eligible Local Governments:	\$3.748 BILLION			

Jurisdiction	2018 Population	% of State	х	State Allocation	=	Product 1	x 45% Factor	=	Jurisidiction Allocation
Miami-Dade County	2,761,581	12.97%	Х	\$8,328,000,000	=	\$1,079,773,494	<b>x</b> 45%	=	\$485,898,072
Broward County	1,951,260	9.16%	Χ	\$8,328,000,000	=	\$762,939,355	<b>x</b> 45%	=	\$343,322,710
Palm Beach County	1,485,941	6.98%	Χ	\$8,328,000,000	=	\$581,000,414	<b>x</b> 45%	=	\$261,450,186
Hillsborough County	1,436,888	6.75%	Х	\$8,328,000,000	=	\$561,820,774	<b>x</b> 45%	=	\$252,819,348
Orange County	1,380,645	6.48%	Χ	\$8,328,000,000	=	\$539,829,857	<b>x</b> 45%	=	\$242,923,435
Pinellas County	975,280	4.58%	Χ	\$8,328,000,000	=	\$381,332,828	<b>x</b> 45%	=	\$171,599,773
Duval County	950,181	4.46%	Χ	\$8,328,000,000	=	\$371,519,162	<b>x</b> 45%	=	\$167,183,623
Lee County	754,610	3.54%	Χ	\$8,328,000,000	=	\$295,051,232	<b>x</b> 45%	=	\$132,773,054
Polk County	708.009	3.32%	Χ	\$8,328,000,000	=	\$276,830,320	<b>x</b> 45%	=	\$124,573,644
Brevard County	596,849	2.80%	Χ	\$8,328,000,000	=	\$233,366,948	<b>x</b> 45%	=	\$105,015,127
Pasco County	553,947	2.58%	Х	\$8,328,000,000	=	\$214,798,844	<b>x</b> 45%	=	\$96,659,480
Volusia County	553,284	2.58%	Х	\$8,328,000,000	=	\$214,541,759	<b>x</b> 45%	=	\$96,543,791
		<u> </u>							\$2,472,413,692

# | 2021 LEGISLATIVE HIGHLIGHTS

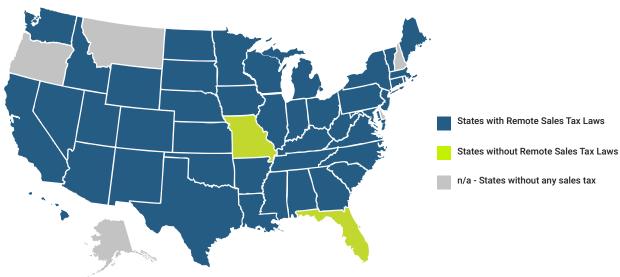
# SALES TAX COMPETITIVENESS

In 2018, the U.S. Supreme Court ruled that states may impose taxes on entities that have a "substantial nexus" to the taxing state regardless of whether the entity has a physical presence within that state. This overrules previous Supreme Court precedent that had prevented states from levying sales tax on sellers without a physical presence.

#### Florida does not currently tax entities without a physical presence in the State.

The U.S. Supreme Court's 2018 ruling in South Dakota v. Wayfair took the unusual step of receding from a previous decision, Quill Corp. v. North Dakota, which had required a physical presence for a business' sales to be taxed in a state. Since the Court's Quill decision in 1992, interstate transactions such as catalog sales and later, internet sales, were not taxable without the seller having some sort of physical nexus in the taxing state. The Court did not expressly provide a new rule in place of the physical presence rule, but it did say that a sufficient nexus was established if a seller availed itself of the substantial privilege of carrying on business in the jurisdiction. The Federal Government Accountability Office has estimated that between \$8.5 billion and \$13.4 billion in sales taxes revenues on remote transactions went unrealized in 2017.

### Remote Sales Tax Laws Among U.S. States



In response to the 2018 Wayfair decision, numerous groups have called for Congress to enact federal sales tax collection legislation to standardize sales tax collections across the states so that sellers can avoid a "regulatory free-for-all." Any federal law would likely seek to minimize the number of taxing entities within a state and require state and local sales tax uniformity.

## SALES TAX COMPETITIVENESS

Whether or not Congress is able to pass legislation, 43 of the 45 states that collect sales tax have laws in place that allow them to capture sales tax revenue from remote sales. Only two states, Missouri and Florida, are holdouts.

#### **Impact in Florida**

Currently, Florida's retailers are at a competitive disadvantage in 43 states because Florida's retailers are paying those state and local sales taxes, while vendors from those states are not paying sales tax in Florida. **Passing legislation ensures sales tax fairness for local retailers.** 

Two bills have been filed for the upcoming 2021 session. The bills apply Florida's sales and use tax laws to online/e-commerce sales from out-of-state retailers regardless of whether the entity has a physical presence within Florida. If passed, the tax will take effect after July 1, 2021.





by Reps Chuck Clemons and Chip LaMarca As of 1/4/21, 6 co-sponsors

#### **Revenue Boost Expected**

The revenue implications are likely to play a greater role in states that do not have an income tax and, as a result, rely more on their sales tax to fund their budget as is the case in Florida.

#### Florida can expect up to a 1.7% revenue boost from this legislation.

In December 2019, the State Revenue Estimating Conference projected the value of similar legislation for the out-of-state collections to be \$743.5 million per year recurring in state and local revenues (annualized over a 5-year period).

Sales taxes account for more than half of all revenues in six states, according to Fitch Ratings. Among those six states, featured in the table below, they could see anywhere from a 1.1 to 1.7 percent revenue boost:



1.7%
Potential revenue boost

#### **Local Benefit**

to government and brick-and-mortar stores

#### **Potential Revenue Gain in Select States**



# WATER QUALITY & SUPPLY PROJECTS

Water quality and water supply issues are among the most challenging issues facing Florida. All levels of government must adopt and enforce policies that proactively address the various sources of nutrient pollution as well as plan to sustainably meet the water supply needs of a growing population. In short, clean and abundant water is paramount to preserving our way of life. The overall goal of all of these charts is showing the growing need for investment in water infrastructure.

#### Increase water quality funding

To reduce nutrient pollution in Florida's impaired water bodies, the State must increase funding for water quality improvement projects. These projects must be comprehensive in nature recognizing that multiple sources, rather than a single source, contribute to nutrient loading, including, but not limited to, wastewater and septic systems, industrial, agricultural, fertilizer, and residential water use.



#### State match for county funding

The State should match a county's investment of local funds to restore impaired springs, estuaries, lagoons and other waterbodies.

#### **Water Resource Protection and Infrastructure Needs**

Drinking water infrastructure improvements next 20 years <ul> <li>To replace, maintain, and expand Florida's aging drinking water, wastewater, and stormwater infrastructure</li> </ul>	\$44.3 billion		
Natural resources projects to achieve MFL compliance	\$7.8 billion		
Development of TMDLs (Total Maximum Daily Load	\$267.29 million		
Implementation of BMPs	\$5.26 billion		
Next 20 years of Everglades Restoration (CERP)	\$8.26 billion		
TOTAL* (not including adaptation funding for Sea Level Rise)	\$66.09 billion over next 20 years		

# WATER QUALITY & SUPPLY PROJECTS

 Allow for more flexibility from possible local funding sources

Restrictions on funding sources should be removed, allowing counties to use any and all available funding for local and regional water supply development and water quality projects.

Maximize use of reclaimed water

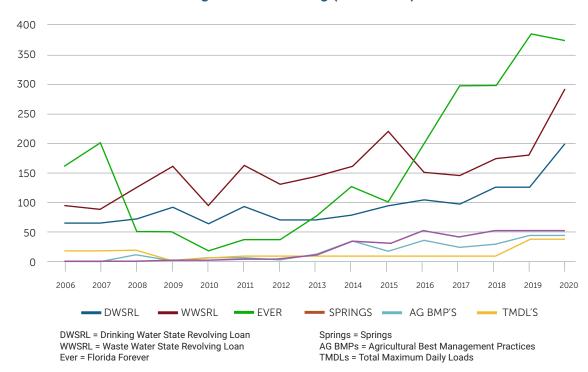
Incentivizing infrastructure investment for the reliable and safe distribution of reclaimed water would decrease the ever-increasing demand on Florida's limited water supply. Reclaimed water that is economically, technically and environmentally feasible can be used for reuse service areas and prioritized irrigation and other nonpotable uses.

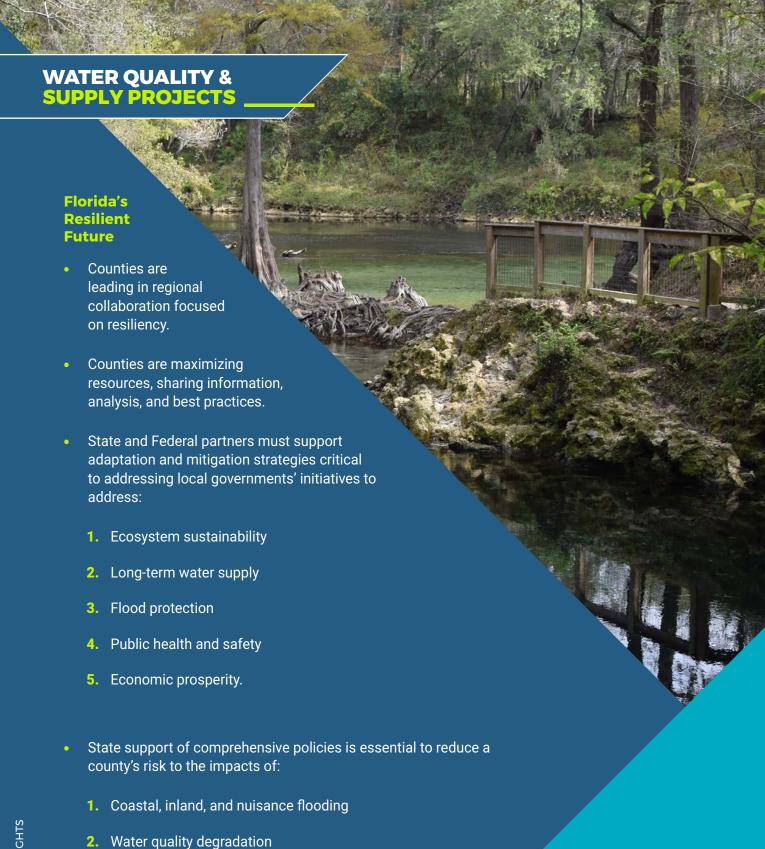
#### **BACKGROUND**

Increased demands on Florida's water supply are forcing many diverse interests to work with county government to plan the future of water policy in Florida.

Significant investment is needed in coming years to upgrade and replace aging water infrastructure, restore impaired waterbodies, and develop alternative water supplies to meet the needs of a growing population. Additionally, securing funding for local water projects can be a frustrating process for local officials as state legislative leadership changes and priorities shift; thus, a long-term or multi-year water plan at the state level is needed to ensure that appropriate investments are being made in the state's water infrastructure.

#### **State Programmatic Funding (2006-2020)**





Extreme weather

Sea level rise

5. Climate change.

# 2020-2021 **EXECUTIVE COMMITTEE**



Commissioner Melissa McKinlay PRESIDENT Palm Beach County



Commissioner Ralph C. Thomas, Jr. PRESIDENT-ELECT Wakulla County



Commissioner Lee Constantine FIRST VICE PRESIDENT Seminole County



Commissioner
Bill Truex
SECOND VICE PRESIDENT
Charlotte County



Commissioner Nick Maddox IMMEDIATE PAST PRESIDENT Leon County



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