

Broward SLI

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Local Government Economic Development Tools

Commissioner LaMarca travelled to Tallahassee and participated in a panel discussion on Wednesday before the House Community & Military Affairs Subcommittee regarding Local Government Economic Development/Redevelopment Financing. The presentation, *Local Government Economic Development Tools: Creating Jobs and Growing Our Economy*, focused on the County's collaboration with the Broward Alliance over the past 10 years toward building a stronger and more diverse economy and promoting increased public-private partnerships through initiatives focused on capital investment and job creation/growth.

Specifically, the Commissioner asked the committee to reevaluate pending legislation, HB 319, intended to repeal the local business tax (LBT) in the state. Local business tax receipts, formerly known as the local occupational license tax, have been the primary revenue source for Broward's economic development tools. Revenues received through the LBT have supported the Broward Alliance and the Office of Economic and Small Business Development efforts to create 8,668 new targeted industry jobs, attract fifty (50) new companies to the County and serve over 1,517 local companies with retention and expansion services between 2007 and 2011.

If the LBT is repealed, Broward will lose approximately \$3 million per year that is currently reinvested into back into the community for economic development programs that create and retain jobs. Between 2007 and 2011, the County reinvested over \$5 million of LBT revenue to meet this goal.

Also participating on the panel were Economic Development managers from the City of Orlando and the City of Tallahassee, and the Martin County's Co-Executive Director's Business Development Board.

In addition to the presentation, which highlighted Broward County's effective use of Local Business Tax Revenues to establish effective public-private partnerships to retain and attract business investment in our community, a number of key member meetings occurred. Of particular note was the discussion with Speaker Cannon related to beach renourishment, crime lab and port funding, as well as the meeting with House Transportation Chair Horner to discuss Port Everglades' access to a portion of the \$35 million in seaport funds within the DOT package, HB 1399. Broward Delegation members Jenne, Hager and Moraitis met with Commissioner LaMarca and focused on ports, beaches and crime lab issues. Additional meetings will be occurring next week, January 18th and 19th, with a contingent of seaport advocates from the Broward Alliance and Port Advisory Board, as well as Commissioner LaMarca.



Commissioner Lieberman Advocates in Tallahassee

Commissioner Lieberman travelled to Tallahassee this week to meet with members of the House and Senate on a variety of issues, including ad valorem taxes, shark finning, coverage for transplant anti-rejection drugs, red-light camera citations and other Board legislative priorities. Particularly, Commissioner Lieberman met with Senator Bennett, Senate President Pro Tempore and Chair of the Senate Community Affairs Committee, and discussed the County's desire to change state law to allow homeowners seeking to install solar panels on their homes to submit the necessary building permit applications electronically, rather than having to personally appear and sign the application in front of a building official. Electronic submission of building permit applications is one of the efficiency changes the County hopes to accomplish as part of its recent Sunshot grant award received from the U.S. Department of Energy.

Commissioner Lieberman also testified before the House Transportation and Highway Safety Subcommittee calling on the members to expand CS/HB 343 to prohibit the issuance of red-light camera citations to deceased individuals. The bill revises the red-light camera citation procedures so that when a another person is identified through an affidavit as having control or custody of the cited vehicle, the individual will not automatically be issued a uniformed traffic citation which carries a higher fine amount. The individual will instead receive a notice of violation from the governmental entity for which the penalty is \$158. Commissioner Lieberman's testimony before the Committee and meetings with key House members has spurred interest in addressing the current list of defenses to red-light camera citations.

Online Travel Companies Bills Filed

Just as the 2012 Session was about to commence, SB 1888 by Sen. Garcia and its companion, HB 1393, by Rep. Brodeur, were filed. The bills, as drafted, would require only entities licensed and/or regulated by the Department of Business and Professional Regulation (DBPR) to remit "bed tax" on the total amount paid for the room; thereby protecting the merchant model for intermediary companies. The language, while quite different from previous year's versions, will have nearly the same effect in that "total consideration", "consideration" and "rent" are clarified to have the same meaning and include the total amount that a person licensed pursuant to ss. 509.241 and 509.242 or regulated by DBPR receives for the right to occupy transient accommodations.

Pretrial Bill filed in the Senate

On Monday, Sen. Garcia filed the companion to the House pretrial bill, HB 875 by Rep. Trujillo, which was filed several weeks ago. While SB 1730 is not identical to HB 875, they both limit pretrial program eligibility. Specifically, SB 1730, makes defendants who have more than two prior felony arrests, prior felony conviction, or a felony charge of the second degree or higher, ineligible for pretrial services. Individuals charged with misdemeanors are given priority over those facing felonies. Counties and sheriffs remain staunchly opposed to the bills.

Beach Management Bills

SB 758 by Sen. Jones and HB 691 by Rep. Frishe both passed unanimously out of their respective committees this week. The bills, which are supported by the Florida Shore and

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Beach Preservation Association and contain recommendations from the Beach Management Working Group, would streamline the joint coastal and coastal construction permitting processes for beach renourishment and other related projects.

If passed, these bills should deliver time and cost savings through increased efficiencies in permitting for renourishment and inlet management. During public testimony, the bills received widespread support from local government groups like the Florida Association of Counties and League of Cities, as well as environmental advocacy groups. SB 758 will be heard next in Senate Community Affairs; HB 691 is now in the Rulemaking and Regulation Subcommittee.

Destination Resorts – Gaming

The Senate Regulated Industries Committee, on Monday, approved a strike-all amendment to SB 710 (7-3), sponsored by Sen. Bogdanoff. The bill still calls for up to three resort casinos that would be part of mixed-use developments, which would include such amenities as restaurants, shopping and convention facilities. To win approval, casino companies would have to agree to spend \$2 billion on building and equipping the facilities.

Sen. Bogdanoff outlined the following differences between the strike-all to SB 710 and the original bill as filed:

- Removed “promotional credits” from being exempt from gaming revenue/gross receipts calculation that is taxed.
- Removed exemptions relating to the issuance and denial of licensure.
- Inserted a provision requiring each county to call a referendum to allow for a resort license in that county.
- Removed a provision exempting counties that had previously passed a slot machine referendum and requires every county to call a referendum in order to allow a destination resort in that county.
- Inserted a provision requiring the voters of a county to approve a referendum “prior to the application deadline” before the commission is allowed to issue a license for a destination resort in that county.
- Removed the department’s rulemaking authority over internal components of devices, including the placement of random number generators in slot machines.
- Revised the weighted criteria percentages and requirements for a destination resort license. Under the strike-all, management expertise and tourism generate 70% of the evaluation.
- Removed a provision requiring the department to purchase up to 4 active pari-mutuel permits with part of the \$125 million license fee.
- Reduced the tax rate for resort licensees to 10%.
- Inserted a provision that closed a loophole that would have allowed barrel racing to be authorized at a Gretna quarter horse facility.
- Removed a provision to allow Gretna to continue barrel racing if Gadsden County approves barrel racing in a county referendum. No other barrel racing would be allowed to operate in the state.
- Inserted a provision requiring permit holders to commence construction within 12 months or July 1, 2012, whichever occurs later. If the permit holder does not commence construction, the permit will be revoked.
- Inserted a provision that provides that the commission shall revoke a permit if the permit holder has not conducted live races or games during the 2011 and 2012 calendar years.

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- Removed a provision that all inactive pari-mutuel permits escheat to the state on the effective date of the bill – All permits escheat to the state for failure to pay taxes in any two consecutive fiscal years.
- Inserted a provision providing for various forms of parity, depending on the will of the voters in that county.
- Inserted a provision imposing a tax rate of 18% for slot machine licensees once a destination resort begins conducting games, reducing the rate from 35% to 18% but does not provide parity as the resort licensees pay 10%.
- Inserted a provision that requires pari-mutuels who obtain a license for limited gaming to pay a 10% tax rate. The facilities must otherwise comply with the resort act, which includes paying \$125 million in licensing fees and submitting to a background check, and removes the requirement that the pari-mutuel facility reinvest in their facility prior to obtaining a limited gaming license.
 - Inserted a provision limited gaming for pari-mutuels to 10% of the pari-mutuel property.
- Inserted a provision regulating electronic game promotions. All electronic game promotions must register with the department, provide a bond, and provide certification that the game promotion complies with the laws. Prohibits game promotions from advertising the establishment as a gambling house and requires all terminals to have notification on them that the games do not impact the results of the game promotion.

The bill now moves to the Senate Budget Committee. Senate President Haridopolos stated he wants to take the resort casinos issue to the full Senate for a vote; however, it remains uncertain whether House Speaker Cannon will follow suit.

On the House side of the Capitol, the Business and Consumer Affairs Subcommittee heard arguments Wednesday that were intended to educate members about their Destination Resorts – Gaming bill, HB 487, to allow up to three destination resort casinos in Florida. No votes were taken. The bill is pending a hearing in the House Business and Consumer Affairs Subcommittee.

Ocean Outfall Passes Senate Committee

The Senate Environmental Preservation and Conservation Committee unanimously passed SB 724 relating to ocean outfalls on Tuesday. The bill, sponsored by Sen. Diaz de la Portilla, makes favorable changes to the 2008 law which eliminates ocean outfalls as a wastewater disposal method in 2025. Similar to legislation which passed the House last session, SB 724 extends the date from December 31, 2018 to December 31, 2020, when ocean outfall discharges must meet advanced wastewater treatment and management requirements or equivalent reductions in total phosphorous/total nitrogen cumulative outfall loadings required by current law.

The bill also extends by one year, certain plan submissions and planning and reporting dates. In addition, the bill authorizes the discharge of up to 5% of annual (peak) flows to cost effectively manage these flows, significantly reducing by 30-50% the capital cost of additional treatment and disposal capacity. Peak flows discharges must comply with the Department of Environmental Protection’s rules governing secondary waste treatment and water-quality-based effluent limitations. Moreover, SB 724 allows ocean outfall utilities to apply the law’s 60% reuse system requirement to the utility’s entire wastewater flows, instead of just the ocean outfall flows, thereby gaining credit for reuse that is already planned at facilities not otherwise served by an ocean outfall.

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SB 724 next moves to the Senate Community Affairs Committee. Its House companion, HB 989 by Rep. Gonzalez, is scheduled to be heard in the House Agriculture and Natural Resources Subcommittee on Tuesday, January 17th.

Title V Air Quality Program Funding

Broward Legislative Delegation members Sen. Smith and Rep. Gibbons have filed bills to address funding for the Title V air permitting programs throughout the state, including Broward County. Pursuant to the Title V program, the Department of Environmental Protection (DEP) can delegate the authority to process state air permits for major air pollution sources, perform inspections and monitoring operations, and enter information into the state database; seven large Florida counties, including Broward, currently have Title V permitting contracts with the state. Fees collected from industrial air pollution sources are deposited into the state-administered trust fund and are used in part to fund local Title V program operations.

Unfortunately, the Legislature must approve Title V funding every year in the DEP's budget, and funding has been cut significantly over the past several years. The DEP's current proposed budget would reduce funding to Title V counties by approximately 40%. SB 1574 and HB 1449 would amend existing law to allow the major air pollution sources to remit their fees directly to the local programs, instead of remitting first to the state for administration to the Title V program counties.

Broward County is currently working with other Title V program counties and the bill sponsors to incorporate additional clarifying language in the bills to ensure that 80% of fees collecting within an approved local program's jurisdiction are actually returned to the county for administration of the program. The bills, which have just been filed within the last week, have not yet been referred to committees.

2012 State Program Addition

Florida Workforce Boards

HB 7023, relating to Regional Workforce Boards, was favorably approved by the House Economic Affairs Committee on Thursday on a purely party-line vote of 10-6. The sponsor of the bill, Sen. Brodeur, reported malfeasance at 11 of the 24 local workforce boards throughout the state, especially in Central Florida. Current law does not allow the Governor to remove an individual member of the board, only the power to remove the entire board. The amended bill would give the Governor the power to remove individual board members or the executive director for cause instead of the whole board.

Opponents of the bill contend it would give the Governor too much power over the local boards, which receive federal funding overseen by the state. Broward Delegation Chair, Rep. Jenne stated, "It's about the executive branch having too much authority over local boards." The bill limits the number of board members to that required by federal law and requires board members to submit short form financial disclosure reports. A prior version of the legislation passed through the House Business & Consumer Affairs Subcommittee this past month. Thursday's vote was its final committee review in the House; the next stop for the bill is the House floor.

Secondary Scrap Metal Recycling

On Monday, the Senate Commerce and Tourism Committee discussed SB 540, by Sen.

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Smith dealing with Secondhand Dealers and Secondary Metals Recyclers. Two amendments were adopted – one to permit ordinances grandfathered in to meet or exceed the state law and the second was to create a statewide standard preventing people from circumventing local government standards. This bill has great support among local law enforcement. After much discussion, it passed favorably.

Broward Days 2012

Five Commissioners will be traveling to Tallahassee to attend Broward Days 2012 on January 25th and 26th. Mayor John E. Rodstrom, Jr., along with Commissioners LaMarca, Holness, Lieberman, and Ritter, will be attending the Broward Days' events as well as meeting with state legislators to discuss the 2012 priorities.

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