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Interim Committee Week 6 - 2014 Session

CONTENTS

Wage Theft Preemption Legislation Circulated

Assorted State Agency Budget Requests Include Several County Priorities

Legislature Gets Affordable Housing and Mortgage Foreclosure Settlement Funds Updates

Public Records Exemption Bills Gain Momentum

Governor Supports Extended Sales Tax Holiday

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Wage Theft Preemption Legislation Circulated

The Florida Retail Federation last week circulated draft legislation it intends to seek in the upcoming the 2014 Regular Session. The draft language, though different from previous attempts to regulate local wage theft ordinances, still has strong preemption implications. The proposed draft bill preempts the regulation of wage theft by a county or municipality to the state. Local wage theft ordinances adopted prior to January 1, 2014 (e.g., ordinances in Alachua, Broward and Miami-Dade Counties) expire automatically on January 1, 2020, unless repealed earlier. Moreover, current ordinances may not be enforced against companies with gross annual revenues exceeding \$500,000.

Cities and counties desiring to regulate wage theft within their jurisdiction, may adopt an ordinance meeting the uniform requirements in the bill. This "model ordinance" approach requires that a county partner with a local legal service organization (LSO) for the purpose of establishing a local process to address wage theft claims. The LSO, which must be a group that provides free or low-cost legal services, must work informally with an employer and employee to resolve a wage theft claim expeditiously. If a claim is unresolved, the LSO must file a court action and refer the matter to local pro bono or other attorney for resolution. The ordinance must also include a reporting mechanism for the county to receive reports concerning the LSO's work on wage theft cases. The county may require reports at different intervals (e.g., monthly, quaterly, annually, etc.) The draft bill also authorizes counties to dedicate funds to the LSO for work on wage theft claims.

Assorted State Agency Budget Requests Include Several County Priorities

The Governor's formal budget proposal is expected to be released on February 2, 2014. In the meantime, several agency budget proposals have been released along with a few of the Governor's priorities. Last week, the Governor announced an \$8.8 million request for roads, bridges, ports and other transit needs. The proposal includes \$138.9 million for seaport infrastructure improvements and \$167.5 million for the Aviation Development Grant Program. The Department of Environmental Protection (DEP) has also requested \$75 million for the Comprehensive Everglades Restoration Plan. Specific projects are not included in the Everglades proposal. The Department of Children and Families has

recommended level funding for FY 2014-2015. The Department of Elder Affairs has also asked for level funding of \$55.8 million for the Community Care for the Elderly (CCE) program. The Department did not request an increase to address the 26,000 individuals waitlisted for senior home care assistance.

Legislature Gets Affordable Housing and Mortgage Foreclosure Settlement Funds Updates

On Wednesday, January 15, 2014, the Florida Housing Finance Corporation (FHFC) updated the House Appropriations Subcommittee on Transportation, Tourism, and Economic Development on the implementation of the National Mortgage Settlement funding. FHFC gave a thorough presentation on funding expenditures from the National Mortgage Settlement. It was reported that \$39.5 million of the \$40 million allocated to the State Housing Initiatives Partnership (SHIP) has been disbursed to 117 of 119 of the eligible counties and cities.

Of this amount, \$533,116 was allocated to Broward County with another \$2.48 million to Broward municipalities. \$8.3 million was disbursed through a competitive grant to house homeless persons and families while another \$8 million has been awarded to projects for housing persons with developmental disabilities. Of the \$60 million provided to State Apartment Incentive Loan (SAIL) Program, only \$3.6 million has been dispersed. Applications to access SAIL's funds for Elderly Housing, Construction or Rehabilitation of Housing for Persons with Developmental Disabilities and Extremely Low Income (ELI) residents are expected in early 2014, with disbursements shortly after.

FHFC indicated that large portion of these funds will be spent in accordance with HB 437 – Community Development, which was passed during the 2013 Legislative Session.

Public Records Exemption Bills Gain Momentum

SB 538 — Public Records/Taxpayer's Email Address by Sen. Jack Latvala creates an exemption from the public records laws for email addresses of taxpayers held by tax collectors for the purposes of e-mailing tax notices or obtaining permission from the taxpayer to do so. The bill passed the Senate Community Affairs Committee on Tuesday, January 14, 2014.

On the same day, SB 280 – Public Records/Participants in Treatment-based Drug Court Programs by Sen. Rene Garcia received unanimous support in the Senate Judiciary Committee. SB 280 creates a public records exemption for information relating to a participant of, or a person considered for participation in, a treatment-based drug court program.

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Governor Supports Extended Sales Tax Holiday

On January 17, 2014, Governor Scott announced support for an extended sales tax holiday. The Governor's newest proposal would implement a ten-day sales tax holiday on clothing, footwear, books, school supplies, and computers. The plan would have an estimated price tag of roughly \$60 million

The Sales tax holiday, or "back to school holiday," started in 1998 and has been reinstituted every year except for the lean financial years of 2002, 2003, 2008, and 2009. The holiday varies by the length of time, the cost of an item, and what items are exempted. For example, in 1998 the sales tax holiday was seven days and only exempted clothing and shoes. The 2013 holiday was three days and expanded exempt items to include clothing, footwear, wallets, bags that cost \$75 or less, school supplies that cost \$15 or less, personal computers and related accessories that cost \$750 or less.

After a preliminary review, staff estimates this proposal would roughly have a \$219,000 negative impact to the County.

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