May 5, 2015

MEMORANDUM

TO:       Honorable Mayor and Commissioners
          Board of County Commissioners

FROM:     Edward G. Labrador, Esq.
          Director

RE:       2015 Session Interim Report

The 2015 Regular Session came to a controversial conclusion last week. On Tuesday, April 28, 2015, the Florida House of Representatives surprisingly chose to sine die and end all formal business before the chamber. House Speaker Steve Crisafulli stated the House would refuse any offer to expand Medicaid and instead proposed using some state dollars to fund a portion of the deficit in the Low Income Pool (LIP) program. The Senate countered the House offer with an increased contribution of general revenue funds for LIP, and enactment of its market-based insurance plan (PHIX) to expand health insurance coverage to some 800,000 Floridians. With little sign of compromise, the House chose to end session. This maneuver took some house members and the entire Senate by surprise. The Senate worked until Wednesday afternoon, but never reconvened thereafter and was considered as having adjourned, sine die, at 11:59 PM, Friday, May 1, 2015.

As a result of the House’s action, several major policy bills died. In total, the Legislature passed only 231 bills, a 15-year low. The Legislature also failed to pass a budget for the 2015-2016 Fiscal Year. A new budget must be passed prior to the start of the state’s new fiscal year on July 1, 2015. Senate President Andy Gardiner has suggested a Special Session be convened on June 1, 2015, to take up the budget and other bills related to the budget. To date, House Speaker Steve Crisafulli has yet to respond to the Senate offer.

Below is a brief report of the major issues, bills, and legislative packages that passed or died during the 2015 Regular Session. Additionally, we have also attached a budget report which describes where the County’s budget requests stood in relation to the House and Senate appropriations bills at the end of session. A full end-of-session report will be prepared and distributed in mid-July. Should you have any questions in the interim, please feel free to contact our Office at 954-357-7575.

Bills of Interest that Passed

Juvenile Civil Citation
SB 378 by Sen. Garcia (HB 99 by Rep. Clarke-Reed) expands the discretion of a law enforcement officer to issue a civil citation to youth who have committed a second or subsequent misdemeanor offense. In addition, law enforcement will be authorized to issue a simple warning to the youth, inform the youth’s parents of the misdemeanor, issue a civil citation or require participation in a similar diversion program.
Property Appraisers' Budget
SB 266 by Sen. Ring provides the property appraiser's budget shall be funded once the Department of Revenue (DOR) makes its final budget amendments and obligates the county commission to fund DOR's final budget during pendency of any appeal.

Local Child Care Licensing Agencies
SB 7078 by Sen. Sobel, relating to child welfare, included local licensing agencies under the definition of "specified agency" for background screening purposes. This will allow the County's child care licensing program to access the Care Provider Background Screening Clearinghouse operated by the Agency for Health Care Administration.

Private Property Rights
HB 383 by Rep. Edwards creates a new cause of action for landowners to recover damages where local and state governmental entities impose conditions that rise to the level of prohibited, and therefore unconstitutional, exaction. Plaintiffs must provide pre-suit notice to the governmental entity to allow an opportunity to explain or correct the prohibited exaction without need for further litigation. If a suit is filed, the bill requires the government to prove the exaction complies with the standards set by the U.S. Supreme Court, while the property owner must prove damages from the prohibited exaction. The bill clarifies the measure of damages recoverable, provides for injunctive relief, and allows recovery of costs and attorney fees. Governmental entities may recover attorney fees and costs if they prevail in a suit. Finally, impact fees and non-ad valorem assessments are exempt from the bill, and sovereign immunity is waived to the extent of assessing damages under the new cause of action.

HB 383 also amends the Bert J. Harris, Jr., Private Property Act to clarify that only property owners whose real property is the subject of, and directly impacted by, a governmental entity's action may bring suit under the Act, and the Act's safe harbor provisions for settlement agreements between a property owner and governmental entity apply regardless of when the settlement agreement was entered. In addition, actions taken by counties to adopt FEMA flood maps for the purpose of participating in the National Flood Insurance Program are not subject to claims under the Act, with certain exceptions.

Utilities Regulation
HB 7109 by Rep. Peters establishes term limits for members of the Public Service Commission (PSC), requires persons lobbying the PSC to register, requires PSC Commissioners to complete ethics training, requires PSC meetings to be available online, and places some regulations on utility deposits.

All-American Flag Act
HB 225 by Rep. Cortes requires any U.S. flag or state flag that is purchased by the state, county, or municipality for public use to be made in United States.

Local Government Construction Preferences
SB 778 by Sen. Hays prohibits the application of local ordinances or regulations that give preference to a local contractor in circumstances involving a competitive solicitation for construction services in which 50 percent or more of the project's costs will be paid from state-appropriated funds. The bill requires disclosure in the solicitation document that a local preference is not in effect for any project where 50 percent or more of the cost will be paid from state-appropriated funds.

State Board of Administration
SB 7024 by Sen. Ring establishes conditions for the transfer of any residual balance in the Fund B Surplus Fund upon self-liquidation and requires the additional income received after the distribution of the residual balance to be
deposited in the Local Government Surplus Funds Trust Fund. According to County staff, this bill may result in a distribution of at least $129,000 to Broward County.

**Sober Homes**

HB 21 by Rep. Hager requires the Department of Children and Families to create a voluntary certification program for recovery residences (sober homes).

**Freight Logistic Zones**

HB 257 by Rep. Ray authorizes a county or a group of contiguous counties to designate certain areas within their jurisdiction as Freight Logistics Zones (FLZs). This allows projects within FLZs that are consistent with the FDOT’s Freight Mobility & Trade Plan to receive priority funding from the various applicable economic development programs listed under Parts I, III, and IV of Chapter 288, Florida Statutes.

**Growth Management**

SB 1216 by Sen. Simpson is an omnibus growth management bill. Among the matters addressed, the bill amends the definition of "blighted area" to allow community redevelopment agencies to enter into contracts to mitigate property damage due to sinkholes; establishes the boundaries of regional planning councils (RPCs) including the boundaries of the South Florida Regional Planning Council to include Broward, Miami-Dade, and Monroe Counties; authorizes the Governor to modify RPC boundaries beginning January 1, 2016, in accordance with his authority under §186.506(4) Florida Statutes; and eliminates certain statutory duties of RPCs that are already complete, are duplicative, or considered unnecessary.

**Bills of interest that Died**

**Amendment 1 Trust Fund Bills**

Due to the budget dispute, all bills filed to address the trust fund changes mandated by the passage of Amendment 1 failed.

**Economic Development Packages**

Economic development packages in both chambers, HB 7067 by Rep. LaRosa and SB 1214 by Sen. Latvala, fell apart due, in large part, due to the budget dispute, and also because of the House’s early adjournment. SB 1214 proposed a number of changes to the state’s economic development, and housing and community development programs to provide more flexibility in some programs, and to increase transparency and accountability across those programs. The bill made changes to the Qualified Target Industry Business Tax Refund (QTI) Program; proposed various changes to the criteria for projects eligible for funding from the Quick Action Closing Fund (QAC) Program; revised the Entertainment Industry Incentive Program (tax credits) and created a new Entertainment Action Fund; allowed businesses located in enterprise zones with active economic development contracts entered between January 1, 2013, and December 31, 2015, to continue to apply for enterprise zone state tax programs and the child care facility property tax exemption for three years; and made changes to housing and community development programs, including the SAIL and SHIP programs, State Office on Homelessness, Challenge Grant Program, and created an incentive program to provide rental opportunities for essential personnel in the Florida Keys.

HB 7067, similarly modified definitions, processes, and the administration of economic development incentive tax refund and grant programs. However, there were significant differences between the two measures. Unlike the SB 1214, HB 7067 did not contain provisions revising the Entertainment Industry Incentive Program. The bill reauthorized the Qualified Defense Contractor and Space Flight Business Tax Refund program through June 30, 2017, rather June 30, 2020; repealed the International Game Fish Association World Center funding program; exempted eligible new developments from having to comply with impact fee, concurrency, or proportionate share requirements for transportation impacts for three years; made changes to the Florida Development Finance
Corporation (FDPC), authorizing the FDPC to enter into interlocal agreements with public entities to fulfill its purposes and the FDPC’s participation in the Property Assessed Clean Energy Program; extended and renewed certain permit extensions previously authorized by the Legislature; and created a new state-administered enterprise zone certification program which counties and cities opposed.

Transportation Packages
The FDOT (HB 7039) and transportation packages (HB 7075 and SB 1554) failed. As a result, an increase from $15 million to $25 million in minimum annual appropriation for the Florida Seaport Transportation and Economic Development Program did not pass. Additionally, revisions to the existing state process to manage airspace and land use at or near airports, including updates to airport zoning, also failed.

Major Tax Cuts and Reforms
Major tax packages failed to pass both chambers (e.g., SB 110, SB 140, HB 7141). Reductions to the Communications Services tax and Sales/Use tax applied to commercial leases failed. Legislation including new or expanded sales tax exemptions for the following also died: agricultural items, including feed for aquatic organisms, irrigation equipment, costs of maintenance and repairs of irrigation and power farm equipment, stakes, and certain trailers; sales at school book fairs and K-12 school food and beverage concessions in support of extra-curricular activities; college textbooks and instructional materials; machinery and equipment used for metal recycling; gun club memberships or admissions; and motor vehicles brought to Florida by military service members deployed outside of the United States. Reauthorizations of sales tax holidays, including July 4th guns and ammunition tax holiday, died as well. It is likely some or all of these items may be considered during the upcoming Special Session on the budget.

Enterprise Zone Reauthorization
Legislation (SB 392 and HB 903) to reauthorize the state's Enterprise Zone program beyond 2015 failed. The House's effort (HB 7067) to shift the funding burden for Enterprise Zones to counties also failed.

Location of Utilities
HB 391 by Rep. Ingram and SB 896 by Sen. Brandes would have compelled local governments to pay for the relocation of utility facilities located within the right-of-way limits of a public road or publicly owned rail corridor when relocation was required due to a non-transportation related project.

Juvenile Justice Cost Share
SB 1414 by Sen. Bradley and HB 5201 by Rep. Metz failed. The bills would have created a new methodology to calculate the shared county and state financial obligations for juvenile secure detention. The bills required non-fiscally constrained counties to pay 57% of actual secure detention costs and the state to pay 43%. Under the bill, the state would continue paying all costs of providing secure detention care in fiscally constrained counties and for juveniles residing out of state, in accordance with current law. Both bills also required the Department of Revenue (DOR) to review county detention cost-share payments to ensure each county was meeting its financial obligations and, if not, DOR was required to withhold any unpaid amount from the county's revenue sharing distribution.

Environmental Resources (Water Bill)
HB 7003 by Rep. Caldwell would have made various revisions to Florida's water policy including, but not limited to: designating all first magnitude springs in the state and all second magnitude springs within state or federally owned lands as Priority Florida Springs (PFS); requiring water management districts (WMDs) to develop new or revise existing recovery or prevention strategies concurrently with the establishment or re-evaluation of minimum flows and levels (MFLs) for all PFS; requiring the Florida Department of Environmental Protection (FDEP) by December 1, 2018, to complete an assessment of water quality for each PFS for which an impairment determination has not been made, establish total maximum daily loads (TMDLs) for all PFS deemed to be impaired, and establish basin
management action plans (BMAP) for impaired PFS; requiring persons engaged in agriculture within the geographic area encompassed by a BMAP for a PFS to implement best management practices (BMP) or conduct water quality monitoring; requiring FDEP to form a working group responsible for scientific information on nutrients, a public education plan, and projects to reduce nutrient impacts in all springs areas where sewage treatment and disposal systems represent a source of excess nitrate-nitrite; and requiring the WMDs to include in their 5-year water resource development work program an annual funding plan for each of the 5-years for water resource and water supply development projects contained in each approved regional water supply plan.

On April 29, 2015, the full Senate considered the bill, amended its language onto the bill and passed it to the House. As amended, the bill included language allowing the designation and priority funding of regional alternative water supply development projects such as the C-51 Reservoir project.

Film and Entertainment Incentives
House and Senate film and entertainment incentives packages stalled in the last week of the session. The House bill, HB 451, proposed significant policy changes to Florida’s Entertainment Industry Incentive program, including modifications to the incentives and benefits the state presently offers to film and entertainment productions. Among the changes, the bill reorganized the state’s Film Office, its Entertainment Industry Incentive (tax credit) Program, and the sales and use tax exemption offered to qualifying productions. The bill was temporarily postponed on the House Special Order Calendar and never considered by the full House. The Senate bill, SB 1046, stalled in the Senate Appropriations Committee, but was ultimately amended into the Senate’s economic development package (SB 1214) which also failed. It is unknown at this time whether these policy initiatives will be considered during the budget special session, or if the Legislature may fund the last year (FY 2016) of the present program and take up policy changes in the 2016 Regular Session that begins in January 2016.

Public Works Projects
HB 527 by Rep. Van Zant and SB 934 by Sen. Brandes would have prohibited the state and political subdivisions that contract for the construction, maintenance, repair, or improvement of public works from imposing certain conditions on contractors, subcontractors, or material suppliers or carriers including conditions relating to hiring personnel, providing benefits, requiring specific rates of pay (e.g., prevailing wages, unless required by federal law), project labor agreements, etc. Additionally, the bills would have proscribed the state, counties, cities, and other political subdivisions from imposing restrictions on qualified bidders, such as declaring a qualified bidder nonresponsive because the bidder did not agree to participate in the political subdivision's workforce program.

Mental Health Reforms
SB 7068 would require the Agency for Health Care Administration (AHCA) and the Department of Children and Families (DCF) to develop a plan to obtain federal approval for the increased availability of federal Medicaid funding to behavioral health services. The bill also would have reorganized behavioral health managing entities by requiring the managing entities to create a coordinated care organization (CCO) in each region of the state and revised criteria for priority populations to be served when demand for publically-funded behavioral health services exceeds available resources. The bill also included the Broward County, Seventeenth Judicial Circuit, as part of the Forensic Hospital Diversion Pilot Program created in the bill.

Single-Sex Public Facilities
HB 583 by Rep. Artiles stated that use of single-sex public facilities be restricted to persons of sex for which facility is designated and prohibited knowingly and willfully entering single-sex public facility designated for, or restricted to, persons of the opposite sex. The bill would have also provided for criminal penalties and created a private cause of action against violators and the businesses and government agencies responsible for such public restroom facilities.
Aviation Fuel Tax
Reform of the excise tax on aviation fuels failed. This legislation would have lowered the overall aviation fuel tax rate paid by carriers operating within Florida from 6.9% to 5.4%, and repealed the fuel tax exemption initially enacted in 1996 and reenacted 2002 to attract new carriers to Florida. Presently, Southwest, Jet Blue, AirTran, and Spirit Airlines significantly benefit from this fuel tax exemption.

Florida Building Code
SB 592 by Sen. Sobel and HB 525 by Rep. Jacobs proposed to save from automatic repeal local technical amendments to the Florida Building Code (FBC) relating water conservation. Under present law, a local technical amendment (i.e., a more stringent exception to the FBC adopted because of local conditions) expires when a new FBC is adopted every three years. The expiration occurs automatically unless the Florida Building Commission reviews the local technical amendment and makes it part of the new statewide code.

Transportation Network Companies (UBER/Lyft)
Legislation (HB 817, SB 1298) requiring ride sharing drivers to provide $1 million in insurance coverage when transporting passengers in their personal cars, establishing a statewide regulatory structure for transportation network companies (TNCs), and preempting local governments from locally regulating TNCs or their drivers failed.

Sales of Motor Vehicles Powered by Electricity or Hydrogen
SB 864 by Sen. Soto would have exempted the sale of an electric vehicle and hydrogen vehicle from the sales and use tax.

Regulation of Oil and Gas Resources (Fracking Legislation)
HB 1205 and SB 1468 would have defined high-pressure well stimulation (fracking), allowed FDEP to review and issue a permits for fracking, required FDEP to review applicant’s past record in regards to high-pressure well stimulation, increased surety bond requirements from $1 million to $5 million, prohibited groundwater contamination, created a public registry of chemicals within FDEP, prohibited local governments from establishing programs to issue permits, required FDEP to promulgate rules, and required FDEP to study effects on geology and hydrology and prohibits any permit before the study and rules have been conducted.

HB 1209 and SB 1582 would have allowed a person submitting proprietary fracking business information to FDEP who wishes to maintain confidentiality of that information to request that the information be kept confidential and exempt and provide a basis to FDEP for claiming the information is proprietary business information, and clearly mark each page of a document containing information claimed to be proprietary.

Gaming
As the present Seminole Compact comes to a sunset, SB 7088 by Sen. Bradley would have extended the ability of the Seminole Tribe to offer blackjack at its casinos for one year to allow more time for negotiations for a new deal. The bill was amended to add similar language to HB 1233 by Rep. Young which would decouple the requirement of greyhound racing from card rooms and would also have allowed the board of county commissioners of Miami-Dade and Broward Counties to conduct a referendum on whether to permit the location of a destination resort casino.

C: Bertha Henry, County Administrator
    Rob Hernandez, Deputy County Administrator
    Joni Armstrong Coffey, County Attorney
    Evan Lukic, County Auditor
    Monica Cepeiro, Assistant County Administrator
    Alphonso Jefferson, Assistant County Administrator
    Gretchen Cassini, Assistant to County Administrator
    Alan Cohen, Assistant to County Administrator
HB 5001 – Appropriations
SB 2500 - Appropriations

VOLUNTARY PREKINDERGARTEN EDUCATION PROGRAM (VPK)
Line Item 86
House – $396,118,044 (Level fundings)
Senate – $389,254,479

BEACH RENOURISHMENT AND INLET MANAGEMENT FUNDING
Line Item 1647
House - $40,000,000 statewide (funds Segment II and III)
Senate - $25,000,000 statewide (funds Segment III)
Neither budget currently funds the PEV Bypass Project

AVIATION FUNDING
Line Item 1927
House – No funding for FLL included
Senate – $1,000,000 for FLL FIS Station at Terminal 4

PORT EVERGLADES
Both budgets provide a full appropriation to the Department of Transportation Tentative Work Plan for FY 2015-2016, which includes $2.5 million for Broward County’s Port Everglades.

Currently, both budgets only allocate $15 million to the Florida Seaport Transportation Economic Development program (Line item 1874). Legislation raising this amount to $25 million did not pass due to budget dispute.

TOPEEKEEGEE YUGNEE PARK (T.Y. PARK)
Neither budget includes funding for the T.Y. Park water project.

CHILD PROTECTION TEAMS
Neither budget provides Child Protection Team funding through the Florida Department of Health’s Children’s Medical Services (DOH/CMS), which funds Child Protection Teams (CPT) throughout the state.

Child Protection Services through Sheriffs – Line Item 313
House – $57,360,444 statewide
Senate - $57,360,444 statewide

COMMUNITY CARE FOR THE ELDERLY
Line Item 392
House - $64,644,996
Senate - $61,544,996

HOMELESSNESS
Homeless Housing Assistance Grants - Line Item 363
House - $2,225,000
Senate - $2,050,000
State Housing Initiatives Partnership (SHIP) Program - Line Item 2241
Senate - $4,000,000 ($3.8 for DCF homeless services and $200,000 for training and technical assistance)
House - $4,000,000 ($3.8 for DCF homeless services and $200,000 for training and technical assistance)

FLORIDA NETWORK OF CHILDREN’S ADVOCACY CENTERS (FNCAC)
Line Item 3167
House - $3,838,240
Senate - $3,893,240

FLORIDA COUNCIL AGAINST SEXUAL VIOLENCE (FCASV)
Line Item 448
House - $2,500,000
Senate - $2,500,000

CULTURAL AFFAIRS GRANT PROGRAMS
Line Item 3118
House - $10,977,000
Senate - $5,000,000

FIRE RESCUE STATION 106 – ALLIGATOR ALLEY
Fire Rescue Station 106 is not funded in either budget. Funding will be secured depend on a legislative amendment.

WATER PROJECT AND INFRASTRUCTURE FUNDING
Line Item 1622A
House - $80,589,000
Senate – No line item

DEPARTMENT OF JUVENILE JUSTICE DETENTION CENTERS
Neither budget appropriates funds for upgrades at the Juvenile Detention Center located in Broward County. Legislative proviso has been prepared for inclusion in the final budget to have OPPAGA study and report on the current state of disrepair of juvenile detention centers statewide. DJJ supports the language.