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Legislative Update — June 2016

FEDERAL ISSUES

2017 Appropriations Update
By Alcalde & Fay

On June 8, the House Republican Leadership announced a change to the process of seeking amendments to appropriations bills that reach the House floor. The amendment comes only a few days after the prior week’s breakdown during floor consideration of the FY 2017 Energy & Water Appropriations, and is a clear sign that the Leadership is hoping to avoid further contentious floor debates over “poison pill” amendments. Members from both parties have sought to include amendments dealing with issues including the Iran nuclear deal, LGBT rights and the North Carolina bathroom law, as well as illegal immigration and sanctuary cities. The new structured rules process will be implemented next week when the House begins debate on the FY 2017 Defense Appropriations bill.

On the Senate side, the Appropriations Committee approved its FY 2017 Labor, Health and Human Services, and Education (L-HHS-ED) Appropriations bill on Thursday by a vote of 29 to 1, clearing the bill for floor consideration. The specific timing for consideration by the full Senate remains unclear at this time, but a crowded floor schedule may delay consideration until after the July 4th holiday.

The below chart shows the current status of congressional action on each of the FY 2017 appropriations bills:

<table>
<thead>
<tr>
<th>FY 2017 Spending Bill</th>
<th>Subcommittee</th>
<th>Full Committee</th>
<th>Passage</th>
</tr>
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<tr>
<td>Agriculture</td>
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<td>✓</td>
<td>✓</td>
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<tr>
<td>Commerce, Justice, Science</td>
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<tr>
<td>Defense</td>
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<td>✓</td>
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<td>Energy &amp; Water</td>
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<td>Financial Services</td>
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<tr>
<td>Interior</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
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<tr>
<td>Labor, Health and Human Services, Education</td>
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<td>✓</td>
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<tr>
<td>Legislative Branch</td>
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<tr>
<td>Military Construction, Veterans Affairs</td>
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<tr>
<td>State and Foreign Operations</td>
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<td>✓</td>
<td>✓</td>
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<tr>
<td>Transportation, Housing and Urban Development</td>
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Zika Virus Funding
By County Staff

On June 22, the House passed a $1.1 billion measure to combat the Zika virus. The Senate is expected to take the bill up after the July 4th recess. The Obama administration has been asking for $1.9 billion, and the President has said that he will veto the House bill. In addition to the lower funding, the President argues that it contains unacceptable riders that would harm Planned Parenthood and other family planning groups.

Palm Beach County is one of seven Florida counties that will share $500,000 provided by The Centers for Disease Control to combat the Zika virus. Other recipient counties include Broward, Osceola, Hillsborough, Orange, Martin, and St. Lucie.

Water Resources Development Act (WRDA)
By Alcalde & Fay and County Staff

In late May, the House Transportation and Infrastructure (T&I) Committee approved legislation, the Water Resources Development Act (WRDA) of 2016, H.R 5303, to address the needs of America’s harbors, locks, dams, flood protection, and other water resources infrastructure and help strengthen the Nation’s economic competitiveness. The bipartisan measure introduced by T&I Chairman Bill Shuster (R-PA) and Ranking Member Peter DeFazio (D-OR), authorizes approximately $5 billion in federal funding for U.S. Army Corps of Engineers (USACE) activities, offset by $5 billion in deauthorizations of previously authorized projects. The measure also sunsets new authorizations to prevent future project backlogs.

Representative Lois Frankel successfully added an amendment to the House bill dealing with the sand transfer plant issue. Amendment 49 states that the Secretary of the Army “may enter into agreements to assume the operation and maintenance costs of an alternative project to maintenance dredging for a channel if the alternative project would lower the overall costs of maintaining the channel.” Here is a link to the debate and passage of the amendment: https://www.youtube.com/watch?v=pUr38rsDCBY&list=PLIwNb3jSp2XZ8rfDWLBMMgL9KatZtU52IY&index=20

Earlier this year, Senate Environment and Public Works (EPW) Committee Chairman Jim Inhofe (R-OK) and Ranking Member Barbara Boxer (D-CA), introduced the Senate’s version of WRDA (S. 2848, The Water Resources Development Act of 2016). The Senate bill authorizes 25 critical Army Corps projects in 17 states and provides critical investment in the country’s aging drinking water and wastewater infrastructure, assists poor and disadvantaged communities in meeting public health standards under the Clean Water Act and Safe Drinking Water Act, and promotes innovative technologies to address drought and other critical water resource needs.

Army Corps Wetlands Challenges
By Alcalde & Fay

On May 31, the Supreme Court ruled unanimously that landowners can go to the federal courts to challenge U.S. Army Corps of Engineers’ jurisdictional determinations under the Clean Water Act. The decision in the case of U.S. Army Corps of Engineers v. Hawkes Co., Docket No. 15-290, written by Chief Justice John G. Roberts Jr. with concurring opinions from three justices, cuts against Obama administration enforcement of the Clean Water Act. The government had long argued that an Army Corps’ determination that a tract contains “waters of the United States” is not reviewable by courts. In the case, the Court held that the Army Corps erroneously determined that wetlands on Hawkes’ property are jurisdictional. Without the ability to challenge the determination in court, landowners only have three options: abandon a project, go through tedious and costly permit process, or proceed without a permit and risk hefty fines and imprisonment.

The U.S. Court of Appeals for the 6th Circuit had previously blocked implementation of the
Obama administration’s “Waters of the U.S.” rule in October which would expand federal anti-pollution requirements to certain wetlands and streams not currently covered.

**Sober Homes**  
*By Becker & Poliakoff & County Staff*

Senator Marco Rubio, along with Senators Elizabeth Warren and Orrin Hatch, has sent a letter to Gene Dodaro, the Comptroller General of the United States, requesting that the General Accountability Office conduct a review of federal and state oversight of sober living homes. The senators request that the GAO assess the following questions:

1. How many sober living homes are there in the U.S.? How many individuals do they service and what are the characteristics of this population?
2. How are sober living homes regulated at the federal, state, and local level?
3. What is the range of services offered by sober living homes? Are sober living homes being used to expand the available resources to support recovery from substance use disorder? What is known about the effectiveness of services offered through sober living homes?
4. How do sober living homes and their patients interact with Medicaid and other federally funded healthcare programs? What impact does this have on Medicaid costs and on the effectiveness of Medicaid-funded drug and alcohol-abuse treatment programs?

**Gun Control**  
*By County Staff*

Democratic senators, led by Senator Chris Murphy, conducted a 15-hour filibuster in an effort to advance gun control legislation. The filibuster ended when Republican leadership agreed to allow votes on two Democratic-backed measures. The first, from Sen. Dianne Feinstein, would block individuals on terror watch lists from purchasing firearms. The second, from Senator Murphy, Senator Corey Booker, and Senator Chuck Schumer, would mandate background checks for gun sales at gun shows and online. Republicans also put forth their own proposals for a vote. All four proposals failed to pass. However, on Thursday, a bipartisan bill that would ban gun sales to people on the terrorism no-fly list survived a test vote, allowing further consideration.

House Democrats staged a nearly twenty-six hour sit-in on the House floor in an effort to force a vote on gun control legislation. House Speaker Paul Ryan did not allow a vote to take place. After Congress returns from its July 4th recess, Democrats have vowed to continue their effort.

**STATE ISSUES**

**Algae Bloom**  
*By County Staff*

County Environmental Resources Management (ERM) staff have investigated and confirmed reports of algae blooms in the Lake Worth Lagoon. Field observations indicate that the source is the C-51 Canal in the central portion of the Lagoon. We are in contact with both the South Florida Water Management District (District), who operates the C-51 Canal, and the Florida Department of Environmental Protection (DEP).

These types of blooms are not unusual in the summer months when the days are long and above average rainfall increases the amount of nutrients and sediments flushed into the canal system. In addition to the inputs from urbanized areas, a portion of C-51 flows come from Lake Okeechobee and the Everglades Agricultural Area. From history, we know that excess flows from any of these sources can create or exacerbate algae blooms and produce an overall negative impact on water quality in receiving bodies such as the Lake Worth Lagoon. DEP may be providing more specific information concerning the cause of, or contributors to, this current situation. When they do, we will certainly share that information with you.
Gun Control
*By County Staff*
In response to the Orlando nightclub attack, Representative Dave Kerner and three Democrats from the Orlando area have called for a special legislative session to pass reforms to help prevent another tragedy. The legislators are State Senators Darren Soto and Geraldine Thompson, and State Representative John Cortes. The proposal is not expected to proceed; Senate President Andy Gardiner, also from the Orlando area, is not in favor of a special session unless there is widespread support within the Senate for a specific and time-sensitive legislative proposal.

Legislative Delegation Election Update
*By County Staff*
Senator Joe Abruzzo has announced that he will forego his campaign for the open Senate seat in the newly drawn District 29 and instead run for the House District 81 seat currently held by Representative Kevin Rader. Rader announced that he will not run for reelection to his seat and instead will now run for the District 29 Senate seat. Both officials are supporting one another in their respective races. Additionally, Rep. Irv Slosberg has announced that he will also scrap reelection to his House seat and instead run against Senator Jeff Clemens for the newly drawn District 31 seat. Finally, Senator Maria Sachs has announced that she will not run for re-election.
At the June 7, 2016, Board of County Commissioners meeting, the board took the following action:

**Finance** -- received a presentation from the Clerk and Comptroller’s Office on the Palm Beach County comprehensive annual financial report for the fiscal year ending September 30, 2015.

**Sikorsky Aircraft** – approved on preliminary reading and to advertise for public hearing on June 21 an ad valorem tax exemption of up to $125,575 over a three-year period and an economic development cash incentive of $18,200 for Sikorsky Aircraft Corp. to expand a 33,000-square-foot addition to the company’s CH-53K Marine helicopter testing facility.

**Project Falcon** – conceptually approved an economic development incentive grant of up to $80,000 over eight years as a portion of the state’s qualified target industry tax refund for Project Falcon. The company is considering Palm Beach County for significant job growth and plans to invest $3 million to build out and renovate an existing building and create 200 new jobs over a five-year period at a median wage of $66,000.

**Project P2P** – conceptually approved an ad valorem tax exemption of up to $576,400 for Project P2P over nine years as a portion of the state’s qualified target industry tax refund and quick action closing fund programs. Project P2P is considering expanding its business operations and incorporating the company’s headquarters in the new facility that plans to make a $15 million capital investment and create 838 new jobs over a six-year period at a median wage of $55,000.

**New South Bay Villas** – adopted a resolution approving the issuance of up to $18.5 million in Housing Finance Authority multifamily housing revenue bonds for 131 multifamily rental units for qualified persons and families in South Bay to be known as New South Bay Villas. No county funds nor its taxing power, faith or credit are involved.

**Royal Palm Place** – adopted a resolution approving the issuance of up to $15 million in Housing Finance Authority multifamily housing revenue bonds for Royal Palm Place, a 125-unit rental housing development for qualified persons and families located at the northwest corner of 15th Street and Division Avenue in West Palm Beach. No county funds nor its taxing power, faith or credit are involved.

**Grand Lake Apartments** – approved State Housing Initiatives Partnership (SHIP) program funding in the amount of $494,000 for Grand Lake, LLC, for construction of Grand Lake Apartments, a $61 million, 384-unit multifamily rental project on Main Street in Belle Glade. These are state funds that require no local match.

**KRS Global Biotechnology** – approved an economic development incentive agreement with KRS Global Technology, Inc. in the amount of $160,000. An industry-leading biotechnology company in pharmaceuticals, KRS is required to make a minimum $28 million capital investment, create 160 new full time jobs over a 51-month period at an average annual wage of $64,356 and a median wage of $58,000, and maintain the jobs for five years following the job creation period. The state is providing a total of $940,000, the city of Boca Raton $200,000, and Palm Beach County $160,000. KRS is expected to have a five-year economic impact of $273 million.
ACTS – adopted a resolution approving issuance of one or more series of PBC Health Facilities Retirement Communities revenue bonds (up to $138 million) to ACTS Retirement-Life Communities, Inc. to refinance Series 2010 revenue bonds and to finance three new projects in Boca Raton. No county funds nor its taxing power, faith or credit are involved.

Lake Delray Apartments – adopted a resolution approving the issuance of up to $34 million in Housing Finance Authority multifamily housing revenue bonds for construction of Lake Delray Apartments, a 404-unit multifamily rental housing development for the elderly located at 700 Lindell Blvd. in Delray Beach. No county funds nor its taxing power, faith or credit are involved.

Pat Reeves Village – approved an advance payment of $35,531 to the Center for Family Services (CFS) for operating costs at the Pat Reeves Village, the only homeless emergency shelter for homeless families with dependent children in the county. The shelter currently serves 19 families. Due to a significant decline in donations, CFS could not meet the shelter’s payroll or operating expenses for the month of June and was in danger of closing its doors.

Westgate-Belvedere Homes CRA – approved the sale of a .2-acre parcel owned by the Westgate-Belvedere Homes CRA located at 2640 Cherokee Avenue for $29,000 for redevelopment into a mixed-use project.

Promotion – ratified the appointment of Sherry Brown as director of Financial Management and Budget. Ms. Brown has worked for the county for approximately four years as assistant budget director. She replaces Liz Bloeser, who retired in May.

At the June 21, 2016, Board of County Commissioners meeting, the board took the following action:

Sikorsky Aircraft – approved an ad valorem tax exemption of up to $128,575 over a three-year period and an economic development cash incentive of $18,200 for Sikorsky Aircraft Corp. to expand a 33,000-square-foot addition to the company’s CH-53K Marine helicopter testing facility. The agreement requires the company to make a minimum $10.3 million capital investment, create 14 new full-time equivalent jobs over a three-year period at an annualized average wage of $80,000 and maintain those jobs for a period of five years, as well as retain 81 existing jobs for three years.
Palm Tran – approved the filing of three Federal Transit Administration (FTA) grant applications totaling $28.31 million for Palm Tran capital projects. If approved, the grant monies would pay for expansion of Palm Tran’s South County administrative and maintenance facility, which is at full capacity, replacement of aging buses, security vehicles and bus shelters, purchase of general purpose equipment, and preventative maintenance and facility rehabilitation.

Trail system – approved the purchase of three canal right of way parcels totaling 43 acres from Dyer C18 LLC for $50,400 (land costs) plus $4,280 in appraisal, closing and title insurance costs. The acquisition allows for completion a 10-mile-long multiuse trail connecting Riverbend Park and the J.W. Corbett Wildlife Management Area. A portion of the existing canal bank may be needed for the extension of Seminole Pratt-Whitney Road.

Criminal Justice Commission – received a presentation on the Palm Beach County Criminal Justice Commission’s 2015 annual report.

SHIP – approved 2016-2017 State Housing Initiatives Partnership (SHIP) budget allocations totaling $6.63 million for affordable housing strategies such as purchase assistance, housing rehabilitation, replacement housing, emergency repair, foreclosure prevention, veterans homeownership and preservation, rental housing entry assistance and developer assistance rental housing. These are state funds that require no local match.

Heron Estates – adopted a resolution approving the issuance of up to $12 million in Housing Finance Authority multifamily housing revenue bonds for Heron Estates Senior Apartments, a 101-unit multifamily rental project at West 17th Court and North Congress Avenue in Riviera Beach. No county funds nor its taxing power, faith or credit are involved.

Herbert Hoover Dike – agreed to draft a resolution urging the U.S. Army Corps of Engineers to expedite completion of repairs and reconstruction of the Herbert Hoover Dike surrounding Lake Okeechobee.

Conversion therapy – directed the County Attorney’s Office to research and draft for discussion an ordinance aimed at eliminating or restricting the practice of conversion therapy for minors.

Promotion – ratified the promotion of Scott Marting as director of Risk Management. Mr. Marting had been the department’s manager of Property and Casualty Insurance and Claims. He replaces Nancy Bolton, who was recently promoted to assistant county administrator.