

PBC Legislative Update



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State Issues

Fourth Week of the 2013 State Legislative Session

Appropriations

By: County Staff, Anfield Consultants and Corcoran and Johnston

House and Senate subcommittees presented their appropriations budgets this week. Palm Beach County has been active over the last few months advocating for budget priorities. Below are some of the House and Senate budget highlights.

	<u>House</u>	<u>Senate</u>
Environmental and Natural Resources		
Florida Forever	\$ 75,000,000	\$ 60,000,000
Drinking Water State Revolving Loan Program	\$ 72,928,158	\$ 72,928,158
Wastewater Revolving Loan Program	\$142,713,270	\$142,713,270
Small County Wastewater Treatment Grants	\$ 25,301,810	\$ 23,301,810
Water Projects	\$ 24,000,000	\$ 48,264,168
JW Corbett Levee		\$ 1,000,000
Glades Utility Water Infrastructure		\$ 1,000,000
Lake Worth Lagoon Initiative(4)		\$ 950,000
Loxahatchee River Initiative		\$ 1,379,000
Riviera Beach Water and Street Projects(3)		\$ 912,500
Everglades Restoration	\$ 32,000,000	\$ 70,000,000
Beach Restoration	\$ 20,229,017	\$ 35,652,992
Total Maximum Daily Loads	\$ 9,385,000	\$ 9,385,000
Petroleum Tank Clean-up	\$125,000,000	\$135,000,000

Criminal Justice

PB Sheriff Prevention Intervention Plan	\$ 50,000
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Transportation and Economic Development

Glades Street Funding	\$ 1,000,000
Torrey Island Master Plan Development	\$ 75,000

Education

Palm Beach State College Loxahatchee Campus	\$5,000,000
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The House Agriculture and Natural Resources Appropriations Committee will be holding a hearing on their water projects next Monday April 1 at 3:00 pm. A list of the projects selected will likely not be available until later next week.

The Senate will next consider amendments to the entire budget on Wednesday at the Senate Appropriations committee meeting that has been scheduled for the entire day.

Value Adjustment Boards

By: The Moya Group

HB 1193 by Representative Beshears, relating to Taxation of Property was heard in its second committee of reference Monday afternoon. The House Agriculture and Natural Resources Subcommittee passed the legislation with unanimous support. HB 1193 deletes the authorization for a value adjustment board, upon its own motion, to review lands classified by property appraiser as agricultural or nonagricultural. The language also removes the requirement that a property appraiser must reclassify, as nonagricultural, certain lands that have been zoned to nonagricultural use. The bill deletes the authorization for a board of county commissioners to reclassify as nonagricultural certain lands that are contiguous to urban or metropolitan development. Also removed is the evidentiary presumption that land is not being used primarily for bone fide agricultural purposes if it is purchased for a certain amount above its agricultural assessment. The language also deletes the authorization for a value adjustment board, upon its own motion, to review property granted or denied classification by property appraiser as historic property that is being used for commercial or certain nonprofit purposes. HB 1193 also removes the authorization for a value adjustment board, upon its own motion, to review land granted or denied high-water recharge classification by property appraiser. Finally the legislation deletes the authorization for a value adjustment board to review property tax exemptions, upon its own motion or motion of a property appraiser, and deletes certain notice requirements relating to review of such exemptions. The bill provides for retroactive application.

The companion legislation, SB 1200 by Senator Simpson, relating to Taxation of Property, has been placed on the agenda to be heard in its second committee of reference. The Senate Agriculture Committee will hear the language on 4/1/13 at 12:15pm.

Florida Retirement System (FRS) Reform

By: Corcoran & Johnston

SB 1392, relating to Retirement, by Senator Simpson, makes several changes to the Florida Retirement System for members initially enrolled on or after January 1, 2014:

The bill changes:

- the vesting period in the Pension Plan from 8 to 10 years;
- mandates that Elected Officers' Class and Senior Management Service Class members may only join the Investment Plan;
- changes the default for members who do not affirmatively choose a plan from the Pension Plan to the Investment Plan;
- closes the Senior Management Service Optional Annuity Program to new members;
- changes the out of service disability retirement vesting period from 8 to 10 years.

The bill also lowers the employee's contribution rate from 3 percent to 2 percent for all members of the Investment Plan.

Current law allows for people to choose the defined benefit plan or contribution plan within 5 months. This would default people into defined contribution if they don't decide. Several police and firefighter associations spoke in favor of the bill, especially after what they saw in the House.

The bill passed along party lines with Republican Senators in support and Democratic Senators opposed.

Florida Fire Prevention Code

By: Corcoran & Johnston

HB 971, relating to Florida Fire Prevention Code, was presented by Representative Raburn. This bill pertains to the Florida Fire Prevention Code and would do three things:

- Allow local jurisdictions for isolated buildings or groups of buildings in rural communities (30,000 or less) to adjust the fire flow requirements if the authority determines that development of the full fire flow requirements are impractical;
- Require fire officials enforce the wall fire rating provisions for occupancy separation for one and two story buildings that are less than 10,000 square feet and whose occupancies are either business or mercantile;
- Provide an exemption to the Florida Fire Prevention Code for farming and ranching structures, but does not apply to public structures used by the public for direct sales, used for educational outreach facilities, or structures with an occupancy definition of residential or assembly.

There were no member questions, no public testimony, and no debate and HB 971 was unanimously passed out of committee.

Agritourism (CS/SB 1106 & CS/HB 927)

By : Anfield Consulting

Background: Over the past decade, increasing numbers of farms and growers have begun to diversify their operations to include activities and attractions that are open to the public. These can range anywhere from food festivals to educational tours of the facilities and fields. Because of the size and scope of some of these activities, some local governments have sought to regulate them, and while the state actively promotes agritourism and already has some laws in place which allow for agritourism operations to occur on *bona fide* farmland, it does not provide any limitations on liability for agritourism activities or preemptions of local government from passing their own rules and regulations barring or otherwise limiting such activities.

Proposed Changes: These two bill(s) provide legislative intent against duplicative ordinances and contain provisions that would expressly prohibit local governments from adopting ordinances, regulations, rules, or policies that regulate, restrict, or otherwise prohibit agritourism activities on land classified for agricultural use (with the exception of Emergency Management activities under Chapter 252, F.S.)

The bills also provide a release from liability for agritourism operators for injuries resulting from resulting from the "inherent-risks of agritourism activities" which in the bill(s) are defined as "those dangers or conditions that are an integral part of an agritourism activity" and includes such things wild and domestic animals, farm machinery and vehicles, and the participants own disregard for the dangers inherent in these things. However, farm operators would not be released from their obligations to properly inform their guests of any of these dangerous conditions, and would be required to post signage containing bill specified warning language informing guests of these dangers. This language must be included in any contracts signed, either for services, rentals, or instruction. Failure to do so would result in the loss of liability immunity.

Update: On Wednesday, the House Civil Justice Committee passed **CS/HB 927** without amendment. It will next be heard in the House State Affairs Committee, which is the bill's last committee of reference.

CS/SB 1106 is currently set to go before the Senate Rules Committee next week.

Scripps

By: County Staff

County Staff worked with Members of the House Finance and Tax Committee on a proposal to provide additional dedicated funding for the Scripps Research Institute. County Staff testified in committee regarding the types of research that Scripps is performing in the area of tobacco drug discovery. Thank you to Vice Chair George Moriatis and Representatives Lori Berman and Bill Hager for their support of our efforts to include Scripps in the dedicated long-term research funded project currently included in the House economic development package. The Scripps language is currently not included in the bill; however, we will continue to advocate for the adoption of the amendment.

South Indian River Water Control District (SIRWCD)

By: County Staff

On Thursday, the House Economic Affairs Committee heard and unanimously passed HB 855 by Rep. Pat Rooney. This bill amends the charter of SIRWCD by authorizing the Board of Supervisors of SIRWCD to construct improvements upon the real and personal property held, controlled, and maintained for recreational purposes within the District. It is now ready to be heard on the House Floor.

Local Bids & Contracts for Public Construction Work (HB 687 & SB 602)

By: Ericks Consultants and Anfield Consulting

Background: Under current law, counties, municipalities, special districts, and other government subdivisions must competitively bid construction projects for public buildings or improvements to those buildings, though only in cases where the project is projected to exceed costs of over \$300,000. For electrical work, the threshold is \$75,000. There is an exemption to this requirement; if the local government determines that it is in the public's best interest to use the local government's own employees, services, and equipment, it does not have to competitively bid to a private contractor.

Proposed Changes: These two bills would remove that exemption.

Update: On Wednesday, the House Government Operations Subcommittee passed **HB 687** without amendment. The bill was opposed by local government advocates. It will next be heard in the (H) Local & Federal Affairs Committee.

SB 602 was temporarily postponed on the 14th in Senate Community Affairs.

Criminal Justice Commission

By: The Moya Group

House Bill 361 by Rep. Dave Kerner, relating to Public Meetings/Criminal Justice Commissions, was heard in its final committee of reference Thursday afternoon. The House Judiciary Committee unanimously supported the bill. This legislation provides for an exemption from public meeting requirements for that portion of a meeting of a duly constituted Criminal Justice Commission at which specified members of the commission discuss active criminal intelligence information or active criminal investigative information currently being considered by, or which may foreseeably come before, the commission. The bill is now ready to be heard on the House Floor.

Its companion bill in the Senate, SB 1042 by Sen. Joseph Abruzzo, has been placed on the agenda to be heard in the Senate Committee on Governmental Oversight and Accountability on Tuesday, April 2nd at 4pm.

Affordable Housing

By: The Moya Group

On Thursday, the House Committee on Economic Affairs heard and by a unanimous vote passed HB 921, Tax Exemptions for Property Used for Affordable Housing, by Rep. Doc Renuart. The bill removes the provision authorizing the affordable housing property exemption to apply to affordable housing owned by a Florida-based limited partnership whose sole general partner is a not for profit corporation qualified as charitable under the Internal Revenue Code. The Revenue Estimating Conference estimated the provisions of the bill will have a positive impact on local government revenue in FY 2013-14 of \$23.4 million (\$117.2 million recurring). The bill is effective upon becoming a law and the removal of the exemption applies to the 2013 ad valorem tax rolls. The bill is now ready to be heard by the full House.

Its Senate Companion, SB 740 by Sen. Wilton Simpson, has yet to be heard in its first committee of reference, the Senate Community Affairs Committee. However, there are other bills pending in the session that contain similar language.

Animal Shelters and Control Agencies

By: The Moya Group and County Staff

On Wednesday, the House Agriculture & Natural Resources Subcommittee passed by a unanimous vote HB 997 by Rep. Travis Cummings. This legislation would require that every public or private animal shelter or control agency prepare and maintain public records relating to the total number of dogs and cats taken in and the disposition of all animals taken in by the animal shelter. If an animal shelter routinely euthanizes dogs based on size or breed alone, they must provide a written statement of such policy. Its next stop is the House Local & Federal Affairs Committee.

Its Senate Companion bill, SB 674 by Sen. Montford, has been placed on the agenda to be heard by the Senate Committee on Community Affairs for Tuesday, April 2nd at 1:30pm. The Senate Agriculture Committee showed unanimous support of the measure when SB 674 was heard during the second week of Session.

Community Transportation Projects

By: Ericks Consultants and County Staff

On Thursday, the House Economic Affairs Committee unanimously passed HB 319 by Rep. Lake Ray. This legislation requires any local government implementing an alternative mobility funding system to follow the same general principles as local governments implementing transportation concurrency. Alternative funding systems must provide a means for new development to pay for its impacts and proceed with development. If an alternative funding system is not mobility fee based, it may not require new developments to pay for existing transportation deficiencies. It also allows local government to pool contributions from multiple applicants to apply toward one regionally significant transportation facility.

According to Committee Staff, this legislation may reduce required contributions from developers for new developments in certain local government jurisdictions and could reduce delays for developer projects.

The Association of Florida Community Developers supports the bill. The Florida Association of Counties, however, opposes it but stated that the Rep. Ray has been extremely accommodating. FAC stated that there is a provision in statute that is cumbersome and this legislation doesn't correct it.

HB 319 now moves to the House Floor. Its Senate Companion, SB 972 by Sen. Hukill, has been placed on the Senate Transportation Committee to be heard on Tuesday, April 4th at 4:00pm.

University Development Agreements

By: Ericks Consultants

The House Appropriations Committee filed a PCB designed to free up funds for Universities to expand and develop. The PCB would allow state universities to develop without having to pay impact fees to local governments with the argument being that universities bring economic growth. Many are concerned the legislation could discourage cities and affected local governments from cooperating with their local universities.

What to expect next week:

Sober Homes

By: The Moya Group and County Staff

SB 738 by Senator Clemens, relating to Substance Abuse Services, has been placed on the agenda to be heard in its first committee of reference. The Senate Committee on Children, Families, and Elder Affairs will hear the legislation on Monday, April 1st at 3:15pm. Currently, sober homes are popping up in numerous municipalities across the state in single-family residential communities. They are unregulated, unlicensed and are not defined in statute. There is a strike-all amendment filed that will address those concerns.

Its House Companion, HB 1089 by Rep. Grant, is still waiting to be heard in the House Health Innovation Subcommittee.

Wage Theft

By: County Staff

For the third time, SB 1216 by Sen. Bradley has been placed on the Senate Criminal Justice Committee agenda. It is scheduled to be heard on Monday, April 1st at 12:15pm. This bill generally preempts local regulation of wage theft issues and provides a specific civil action in the court system for wage theft claims. Under the bill, "wage theft" is defined as an illegal or improper underpayment or nonpayment of an individual employee's wages, salaries, commissions, or other similar form of compensation. This legislation will not affect Palm Beach County's Local Wage Theft program since ours was not created by an ordinance.

Local Wage Ordinance

By: County Staff

HB 655 by Rep. Precourt has been placed on the Special Order Calendar to be heard by the full House on Tuesday, April 2nd. This legislation amends current law to prohibit political subdivisions (county, municipality, department, commission, district, etc.) from requiring an employer to provide employment benefits (health benefits, disability benefits, death benefits, group accidental death and dismemberment benefits, paid or unpaid days off for holidays, sick leave, vacation, and personal necessity, retirement benefits, and profit-sharing benefits) or a minimum wage that is not required by state or federal law.

Its Senate Companion, SB 726 by Sen. Simmons, is waiting to be heard in its last committee of reference, the Senate Judiciary Committee.

Elections

By: The Moya Group and County Staff

SB 600 by Sen. Latvala has been placed on the agenda to be heard in the Senate Committee on Community Affairs for April 2nd at 12:30pm. This legislation revises qualifications for late voter registration and places a limitation on the number of words for certain ballot summaries in joint resolutions proposed by the Legislature. The bill

also authorizes the department to suspend all sales, leases, or use of defective voting systems in an election. It changes the primary date from 12 weeks to 10 weeks before the general election. Also contained in the legislation are additional early voting sites, hours, and days.

Growth Management

By: County Staff

Senate Bill 528 by Sen. Simpson has been placed on the Senate Judiciary Committee agenda to be heard on Monday, April 1st at 3:15pm. This legislation clarifies which local initiative and referendum processes relating to development orders, comprehensive plan amendments, or map amendments were not barred by law. Under the bill, the local initiative and referendum processes that are allowed to continue are limited to those that: were in effect on June 1, 2011; affect more than five parcels of land; and were expressly authorized in a local government charter specifically for matters such as development orders or comprehensive plan or map amendments.

Its House Companion bill, HB 537 by Rep. Moraitis, is waiting to be heard on the House Floor.

Numeric Nutrient Criteria

By: County Staff

The House Rulemaking Oversight & Repeal Subcommittee will be hearing HB 7115 by Rep. Raburn on Monday at 4:00pm. This legislation amends current law to direct the Department of Environmental Protection (DEP) to establish numeric nutrient criteria for remaining waterbodies in the state that were not covered under the rules approved by the Environmental Protection Agency (EPA) on November 30, 2012. The bill also grants DEP the authority to implement its own nutrient standards for streams, springs, lakes, and estuaries consistent with the document entitled "Implementation of Florida's Numeric Nutrient Standards," which was submitted to EPA in support of the DEP's adopted nutrient standards and has been filed as a proposed rule under Florida's Administrative Procedure Act. In addition, the bill specifies that once EPA removes federal numeric nutrient criteria and ceases future numeric nutrient criteria rulemaking in the state, Rule 62-302.531(9), F.A.C., will be removed from the Florida Administrative Code. The bill also exempts from legislative ratification any additional estuary criteria adopted by DEP during 2013. Lastly, the bill directs DEP to establish specific numeric nutrient criteria for unimpaired waters (including DEP's calculation of the current conditions of those waters) and for those estuaries and non-estuarine coastal waters without numeric nutrient criteria established by rule or final order as of the date of the report, and directs DEP to send a report to the Legislature and Governor conveying the status of establishing numeric nutrient criteria.

Its Senate Companion, SB 1808 by the Senate Environmental Preservation and Conservation Committee, is waiting to be heard in the Senate Community Affairs Committee.

Homelessness

By: County Staff

SB 402 by Sen. Joyner has been placed on the Senate Rules Committee agenda to be heard on Tuesday, April 2nd at 8:00am. Through this legislation, the Department of Highway Safety and Motor Vehicles (DHSMV) is authorized to collect a voluntary contribution of \$1 through motor vehicle registration and driver license fees to aid the homeless. It also replaces the current emergency assistance program with a newly created homeless prevention grant program.

Its House Companion bill, HB 93 by Rep. Reed, is waiting to be heard on the House Floor.



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Gaming

By: County Staff

SB 1030 by Sen. Thrasher will be heard in the Senate Rules Committee on Tuesday, April 2nd at 8:00am. This legislation would ban Internet cafés and clarifies current gambling laws concerning slot machines, charitable drawings, game promotions, and amusement games.

The House passed HB 155 by Reps. Trujillo and Patronis during the 3rd week of Session and is still waiting to be heard in the Senate.

Federal Issues

Weekly update

By: Becker & Poliakoff

Hearing on Tax Reform and Tax Provisions Affecting State and Local Governments

Congressman Dave Camp (R-MI), Chairman of the Committee on Ways and Means, held a hearing on Federal tax provisions that affect State and local governments as part of the Committee's continued work on comprehensive tax reform on Tuesday, March 19, 2013. The tax reform hearing examines the array of Federal tax provisions that affect State and local government operations and financing.

BACKGROUND:

A number of different Federal tax provisions directly affect State and local governments. By far the largest tax expenditure affecting State and local governments is the itemized deduction for State and local taxes. Individual taxpayers who itemize may generally deduct their State and local income and property taxes. For some taxpayers, this deduction is reduced by the recently reinstated "Pease" limitation on itemized deductions and it is disallowed for taxpayers subject to the Alternative Minimum Tax (AMT). In addition, taxpayers may elect to deduct general sales taxes in lieu of income taxes, although this deduction expires at the end of this year, is also subject to the Pease limitation, and is disallowed under the AMT.

State and local governments also benefit from favorable Federal tax treatment of certain types of bonds they issue, including tax-exempt bonds, tax-credit bonds, and "direct-pay" bonds. In addition, numerous other Internal Revenue Code provisions have a significant impact on State and local governments, including pension and retirement provisions and payroll tax provisions, among others.

In announcing this hearing, Chairman Camp said, "As we continue to work toward comprehensive tax reform that significantly lowers rates and makes the code fairer and simpler so that we can spur a climate for job creation, higher wages and better benefits, we must better understand how various aspects of the tax code affect stakeholders. To that end, it is important that the Committee hear directly from those who are familiar with the impact of Federal taxation on State and local governments before considering any proposals as part of comprehensive tax reform."

County Staff Discusses Legislative Priorities with Congresswoman Lois Frankel

By: County Staff

This week county staff had a follow up meeting with Congresswoman Lois Frankel and her staff on the County's legislative priority list. Three priority issues that we will concentrate on over the next week include sending a follow up letter to Homeland Security regarding additional Customs agents after 4pm at PBIA, submitting revised WRDA language for consideration in the House, and seeking co-sponsorship of a resolution opposing changes to the nontaxable status of municipal bonds. Many thanks to Congresswoman Frankel for her persistence in working on our County's many legislative priorities.