

# PBC Legislative Update

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### **Federal Issues**

1. Highway Bill Passes Senate

## **Final Week– 2012 State Legislative Session**

### **State Issues**

#### **FY 2013 Budget**

*By: Ericks Consultants and Corcoran, Johnston & Blair, and County Staff*

After weeks of committee recommendations and issue briefs, the House and Senate came together to craft a state spending plan for the 2012-2013 Fiscal Year.

Here is the basic breakdown by budget sections:

#### **Health and Human Services**

The Health Care budget represents the largest portion of the state budget. This year, the budget total for HHS is \$29,885,893,801. Fixed capital outlay amounts to \$26,879,165.

The cuts come largely from Medicaid rate cuts to hospitals in the amount of \$300 million. Budget writers also cut into local government programs, such as substance abuse and mental health recovery. Those programs were largely spared under the original House bill, but were inserted when the Senate demanded some reform. The cuts were nothing close to what the Senate wanted.

#### **Criminal Justice and Corrections**

This area funds state jails, police and other first responders. The total budget for this area is \$4,120,776,098. Fixed capital outlay amounts to \$70,453,087.

One item that we are happy to report on is the new funding measure for the local crime labs. Currently, when a crime lab is used to aid the conviction or plea of a defendant, the statutory fee for such service is discretionary. Senate Conforming Bill 1968 passed both the House and Senate unanimously and the bill would mandate that the court collect a \$100 use fee when the defendant pleads guilty, nolo contendere, or is found guilty.

#### **Natural Resources, Environment, Growth Management, and Transportation**

This area revolves around state environmental protection, land buying, and economic development among others. This year's amounts are \$2,902,613,569 and \$8,427,178,896 for fixed capital outlay.

Florida Forever was given \$8.3 million and Everglades Restoration was awarded \$30 million as well as an additional \$5 million for the northern Everglades and estuaries programs. Additionally, the budget includes \$22 million for beach restoration funding.

The Legislature appropriated \$200 million from license fees to the State Transportation Fund, and then placed it in General Revenue. This funding will go toward road and transportation projects and is broken down by \$10 million toward seaports, \$35 million to the Florida Turnpike Enterprise, \$10 million to the Transportation Disadvantaged Fund, \$10 million to road projects in smaller counties and the rest to transportation projects throughout the state.

### **General Government**

This area of the budget deals mainly with governmental operations and administration. The total amount in this section is \$3,739,658,715 and \$130,560,815 for the fixed capital outlay.

### **Judicial Branch**

This area pays for our state courts. The total amount this year is \$445,203,339 with an even \$1,000,000 in fixed capital outlay money.

Of note to Palm Beach County are the following priority budget allocations:

***Beach Restoration*** - The budget includes \$10 million in new General Revenue and \$12 in additional reverted dollars for a total of \$22 million to fund projects.

***Libraries*** - The budget includes full funding for \$21.3million with half coming from recurring general revenue and \$1.5 million for Library co-ops.

***Florida Forever & Everglades*** - \$8.37 million was eventually included for Florida Forever and \$30 million for Everglades Restoration.

***Petroleum Storage Tank Cleanup*** - \$125 million was provided for pre certification and fully funds the program. \$7 million is provided in the local funding portion of the program.

***Torrey Island*** - \$50K was provided for master plan development of Torrey Island in the Glades

***Water Utilities Infrastructure Glades Area*** - \$1 million was provided for Palm Beach County Water Utility infrastructure replacement in the Glades area.

Below is a chart detailing program areas that we followed during the budget process. It includes allocations in the FY 2012 final budget, Governor Scott's Recommended Budget, and the FY 2013 final budget.

<b>Palm Beach County FY 2013 Appropriations Summary - Final</b>		Governor's Budget	HB 5001 - FINAL BUDGET
	FY 2012 Budget	SFY 2013	SFY 2013
	All Funds	All Funds	All Funds
<b>Section 1 - Education</b>			
#17 - Palm Beach State College Multi FAU Operational Funding			- (24,790,484)
<b>Section 2 - Education</b>			
#75 - School Readiness Services	616,762,636		581,484,629
<b>Section 3 - Human Services</b>			
<b>Agency for Health Care Administration</b>			
#161-166 - Florida Kidcare Program	520,962,322	517,502,789	539,160,556
#187 - Rural Hospital Financial Assistance	14,030,766	14,030,766	14,030,766
#191 - Home Health Services	171,267,718	142,753,911	187,378,072
#203- Medicaid Patient Transportation	141,958,450	137,651,634	143,226,630
#212 - Rural Health Services	101,277,171	123,959,174	125,677,607
#220 - Home and Community Based Services	1,024,717,619	1,024,717,619	1,082,335,883
<b>Agency for Persons with Disabilities</b>			
#251, 254, 325 & 410 - Home & Community	980,182,819	959,910,448	1,041,728,101
<b>Department of Children and Family</b>			
Reinvestment Grant - DCF Share		-	
#343 - Public Safety, Mental Health, and Substance Abuse Local Match	3,000,000	3,000,000	3,250,000
#344 - Children's Mental Health	47,011,346	45,724,743	47,011,569
#183 & 345 - Community Mental Health	297,521,087	283,349,944	288,697,627
#346 - Baker Act Services	62,333,949	62,333,949	63,483,949
#357 - Children's Baker Act Services	14,021,460	308,734	14,021,460
#365 - Children and Adolescent Substance	72,215,003	70,703,312	71,826,312
#366 - Community Substance Abuse Services	123,518,882	125,897,906	123,132,564
#376 - Challenge Grants	2,031,354	2,031,354	-
#377 - Fed. Emer. Shelter Program	3,822,427	4,946,503	5,464,591
#377A - Homeless Housing Assistance Homeless Prevention	12,000,000		3,000,000 -
#387 - Financial Assistance Payments - Cash	177,522,123	155,862,636	155,439,285
#323 - Grants to Sheriffs for Protective	45,985,592	47,491,154	46,985,592
<b>Department of Elder Affairs</b>			
#405 - Community Care For the Elderly	53,044,996	53,044,996	60,044,996
#407 & 416 - Older Americans Act	97,590,726	97,590,726	97,590,726
#412 - Local Services Program	8,196,109	7,465,811	7,465,811
<b>Department of Health</b>			
#468, 494, 509, 521, 576 - County Health	155,844,006	145,871,169	132,655,557
#469, 535 - Primary Care Program	19,221,512	19,221,512	19,421,512
#472- School Health Services	20,319,530	20,319,530	20,035,258
County Health Dept. - Construction,	32,920,983		-
#531A - Maintenance & Repair of County	7,533,960		7,533,960

#536 - Emergency Medical Services County	6,211,675	6,211,675	6,211,675
#537- Emergency Medical Services Matching	4,681,461	4,681,461	4,681,461
#577 - Local Health Councils	1,006,000	1,006,000	1,006,000
<b>Section 4 - Criminal Justice</b>			
<b>Department of Corrections</b>			
#770Q - #770T - Pre Trial Intervention	4,269,953		-
#777 - DOC Sentencing Alternatives	700,143		700,143
<b>Department of Juvenile Justice</b>			
#1186 - 1197 - County Share Predisposed	77,819,360	71,309,403	74,009,403
#1192 - Fiscally Constrained County	4,632,618	3,883,853	3,883,853
<b>Florida Department of Law</b>			
#1279C - Community and Statewide Drug	4,497,908		4,497,908
#1293 - Criminal Investigations - Aid to Local	3,120,793	3,120,793	3,120,793
<b>Section 5 - Nat. Resources / Env. / GM / Trans.</b>			
<b>Department of Agriculture , Consumer</b>			
#1471 - Mosquito Control	1,293,368	1,293,368	2,160,000
<b>Department of Community Affairs</b>			
EM - Local Emergency Management	-		-
<b>Department of Environmental Protection</b>			
#1589 - Florida Forever			8,377,966
#1645 - Everglades Restoration	29,955,500	40,000,000	30,000,000
#1662 - Total Maximum Daily Loads	10,385,000	7,892,250	7,892,250
#1669 - Beach Renourishment and	7,999,701	10,000,000	10,000,000
#1663 & 1684 - Nonpoint Source (NPS)	12,400,000	17,400,000	17,400,000
#1683A - Palm Beach County - Glades Area			1,000,000
#1685 - Drinking Water Facility Revolving	91,053,594	68,079,716	68,079,716
#1686 - Wastewater Treatment Facility	164,346,724	131,820,672	131,820,672
#1694 - Storage Tank Compliance	7,000,000	4,500,000	7,000,000
#1707-Local Government Cleanup	7,000,000	7,000,000	7,000,000
#1711 - Petroleum Tanks Cleanup - Inland	128,000,000	128,000,000	125,000,000
Florida Recreation Development Assistance	-		-
Alternative Water Supply	-		-
<b>Department of Transportation</b>			
#1914- Transportation Disadvantaged	39,904,800	38,404,800	43,404,800
#1915 - Transportation Disadvantaged -	65,486,126	65,486,126	65,486,126
#1917 - Aviation Development Grants	187,442,157	152,284,154	176,928,822
#1918 - Public Transportation Grants	343,572,957	416,766,987	206,688,731
#1920 - Seaport - Economic Development	15,000,000	15,000,000	15,000,000
#1921 - Seaports Access Programs	10,000,000	10,000,000	10,000,000
#1922 - Seaports Grants	117,751,305	83,711,239	115,446,664
#1953 - County Transportation Programs	55,007,529	42,125,655	50,720,914
#1968A - Economic Development	15,000,000	15,000,000	30,000,000
#1968A - Economic Development Transportation -Riviera Beach 13th Street			500,000

#1970 - Local Government Reimbursement	30,388,811	49,039,957	38,503,210
<b>Section 6 - General</b>			
<b>Administered Funds</b>			
#2026A - Strengthening Domestic Security	94,303,313		40,688,745
<b>Department of Economic Opportunity</b>			
#2252- Regional Workforce Boards	249,042,919	236,045,648	236,359,445
#2284A - Regional Planning Councils	2,500,000		2,500,000
#2286A - Rural Community Development	1,170,000		1,170,000
#2287 - Technical and Planning Assistance	1,079,994	500,000	500,000
#2292A - Torry Island Master Plan			50,000
#2299 - Small Cities Community	34,000,000	30,000,000	30,000,000
#2292 - Community Services Block Grants	17,876,599	17,876,599	21,876,498
#2293 - Home Energy Assistance	111,164,000	25,864,599	78,100,000
#2297 & 2298 - Weatherization	13,000,000	13,000,000	13,000,000
#2300 - HFC - Affordable Housing Programs	-	29,650,000	10,000,000
#2284 (2309) - Economic Development	136,500,000	129,910,000	10,000,000
#2311 - Visit Florida	34,899,209	34,899,209	54,000,000
#2304A & 2314 - Economic Development	21,750,000	100,000,000	96,226,719
#2314B - Rural Infrastructure	1,581,244		3,162,490
<b>Executive Office of the Governor</b>			
#2579 - Disaster Preparedness Planning and	2,389,944	2,389,944	2,389,944
#2594 - Emergency Management Programs	7,089,061	7,089,061	7,089,061
#2596 - Repetitive Flood Claims	1,800,000	3,175,434	3,175,434
#2597 - Severe Repetitive Loss Pilot	4,500,000	1,253,434	1,253,738
#2602- Predisaster Mitigation	3,500,000	3,156,613	3,156,613
#2603 - Hurricane Loss Mitigation	6,892,389	6,892,389	6,892,389
#2604 - Flood Mitigation Assistance	4,000,000	3,670,670	3,670,670
#2624 - Local Emergency Management	8,000,000	3,000,000	8,000,000
<b>Department of Management Services</b>			
#2872 - Wireless 911 Distribution to	70,190,273	70,190,273	70,020,273
#2873- Wireless 911 Distribution to	15,484,846	15,484,846	15,484,846
#2874 - Non Wireless 911 Distribution to	50,030,674	50,030,674	50,030,674
<b>Department of State</b>			
#3124- Special Election Reimbursement	1,600,000	2,500,600	2,000,000
#3127 - Voting System Assistance	525,000	525,000	525,000
#3128 - Statewide Voter Registration	2,794,815	2,787,751	2,787,751
#3134 - Federal Election Activities - HAVA	2,000,000	3,000,000	3,000,000
#3143 - Historic Preservation Grants	1,218,250	118,250	4,261,850
#3162A - Library Cooperatives	1,000,000		1,500,000
#3163 - Aid to Libraries	24,092,039	24,092,039	23,700,606
#3173 - Arts Grants	297,200	297,200	297,200
#3174A - Cultural and Museum Grants	2,150,000		6,950,000
<b>Section 7 - Judicial Branch</b>			
<b>State Court System</b>			
#3219- Traffic Hearing Officers	1,339,864	1,339,864	1,339,864
#3229 - Drug Courts - American Recovery and Reinvestment Act of 2009	12,483,000	10,685,523	10,685,523

## **Redistricting**

*By: Ericks Consultants & County Staff*

The Florida Supreme Court heard oral arguments at the end of February as to whether the newly drawn and legislatively approved district maps pass constitutional muster and adhere to Amendment 5 and 6 from last year. Senate President Mike Haridopolos made a public statement before the ruling saying that he expected a special session to deal with the maps. Two days later the Florida Supreme Court ruled that the House District maps were constitutional, but the Senate District maps were constitutionally invalid. Two of the proposed Senate districts in question are in Palm Beach County and currently held by Senators Chris Smith and Ellyn Bogdanoff. The Court stated that the Legislature should redraw Senate Districts 1, 3, 6, 9, 10, 29, 30, and 34, and should renumber all Senate Districts in an incumbent-neutral manner. The Legislature is now back up in Tallahassee in a Special "Extraordinary" Apportionment Session to discuss and redraw the Senate maps. The redrawn, final Senate maps should come up for a full vote of the Senate by Friday, March 23<sup>rd</sup>. The House is expected to vote the following week.

## **Medicaid**

*By: Ericks Consultants, Corcoran, Johnston & Blair and County Staff*

HB 5301, one of the biggest items of the year, was the Medicaid plan that allows the Agency for Health Care Administration (AHCA) to charge counties both up front for current billings and to collect 85% of past due billing amounts. This conforming bill includes the method of deducting county revenues to collect unpaid bills, totaling over \$78 million. The State estimates there is a total backlog of \$325 million in Medicaid billings that have not been paid by the counties, all of which are disputed billing charges. Palm Beach County's share is approximately \$7.9 million. If counties prefer not to challenge bills, then they get a 15% discount on reimbursements.

Opponents point to the flawed billing system employed by AHCA in that most bills are probably not owed by the counties. High population counties point to rejection rates of over 40%, much beyond the scope of a 15% discount.

Toward the end of the budget writing process, the bill was amended to allow for children of state employees to be eligible for KidCare. The bill passed the Senate 23-17 and the House 73-36. The final decision is now up to the Governor.

## **Department of Health Reorganization**

*By: Corcoran, Johnston & Blair and County Staff*

On the last day of Session, the House and Senate passed House Bill 1263 by Rep. Hudson. The bill had significantly changed from its original form and, among other provisions, does not separate the relationship between county health departments and the State. It does, however, require the Department of Health to develop and implement a transition plan for the closure of the A.G. Holley Tuberculosis Hospital in Lantana. The transition plan must be submitted to the Governor, Speaker of the House and Senate President by May 31, 2012. The transition would occur by January 1, 2013.

This legislation requires a health care practitioner to provide certain information when a developmental disability is diagnosed based on the results of a prenatal test and establishes an advisory council to assist the DOH to develop an information clearinghouse related to developmental disabilities. It also provides that DOH publish a summary of the Florida Patient's Bill of Rights and Responsibilities on its Internet website. In addition, the Hepatitis A awareness program and numerous trust funds have been eliminated.

The bill passed the Senate 31-9 and the House 86-29.

## **Septic Tank Inspection**

*By: Ericks Consultants*

In 2010, the Legislature passed a bill which would have mandated septic tank inspections. Many have advocated for repeal this provision due to the enormous cost these inspections would bring. Over the past two sessions, opponents have tried very hard to reach a compromise to delete these inspections, unless a county near a "first magnitude spring" already has an inspection program active.

The bill deletes the mandatory inspections provisions and was placed on the DOH bill, 1263, that passed on the final day of session. It provides that a permit issued by the DOH for the installation, modification, or repair of a septic system transfers with title to the property so that title is not encumbered when transferred if new permit requirements are in place at the time of transfer.

## **Transportation**

*By: Ericks Consultants, The Moya Group and County Staff*

### Transportation Package

This year's transportation package started the session with HB 1399 by Rep. Brandes and SB 1866 by Sen. Latvala. The two bills were considered to be the omnibus transportation packages, however; towards the end of Session, both of these bills ended up in a little trouble and some of the provisions of the transportation package were amended onto HB 599 by Rep. Pilon.

HB 599 will allow flexibility in the permitting of stormwater treatment facilities for transportation facilities due to their linear nature and allow alternatives to onsite treatment and remove FDOT's responsibility for providing stormwater treatment for adjacent landowners' stormwater permits.

Palm Beach County saw three legislative priority issues addressed in this bill.

The bill included provisions relating to the use of **Local Option Fuel Tax (LOFT)** dollars to be used for installation, operation, maintenance and repairs to street lighting, traffic signals, traffic engineering, signalization and pavement markings. It allows local governments to transfer right of way by deed instead of using maps, in order to reduce the cost of the transfer.

The legislation revises the membership of the governing board of the **South Florida Regional Transportation Authority (SFRTA)** to 10 voting members with four being appointed by the Governor or the appropriate FDOT District Secretary. Expansion of the SFRTA system is limited to Monroe County without FDOT approval. SFRTA's ability to pledge future state funds is reduced and FDOT oversight of the SFRTA budget is enhanced.

In addition, it extends for two years, a **Palm Beach County School Sign Pilot Program** allowing the Palm Beach County School District to recognize its business partners by publicly displaying its business partners' names on district property in unincorporated areas.

## **Ad Valorem and other Local Taxes**

*By: Ericks Consultants and The Moya Group*

### Local Business Taxes

While a push to delete the ability of local governments from enacting local business taxes failed, a more targeted measure did pass. The so called "Exemption" from local business taxes for realtors did make it through both the House and Senate on the last day of session.

**HB 7125 by Rep. Roberson** specifies that an individual licensed and operating as a broker associate or sales associate is not required to apply for an exemption from a local business tax or take certain actions relating to a local business tax. The bill prohibits a local governing authority from holding such exempt individual liable for the failure of a principal or employer to comply with certain obligations related to a local business tax. It also prohibits a local governing authority from requiring a principal or employer to provide personal or contact information for such exempt individuals in order to obtain a local business tax receipt.

The bill passed the House 105-9 and the Senate 33-7 and is now subject to the approval of the Governor.

#### **Tangible Personal Property Tax Exemptions**

**House Joint Resolution 1003 by Rep. Eisnagle** proposes an amendment to the Florida Constitution, which would grant an additional exemption for tangible personal property when property is assessed at more than \$25,000, but less than \$50,000. Additionally, the joint resolution would allow the Legislature to provide by general law that counties and municipalities may grant additional exemptions for tangible personal property by adopting an ordinance. Lastly, the joint resolution creates Article XII, section 32 of the Florida Constitution, which provides that the additional exemption for tangible personal property when property is assessed at more than \$25,000, but less than \$50,000 applies to assessments for tax years beginning January 1, 2013.

The bill passed the House 112-2 and the Senate 40-0.

#### **Communications Services Taxes**

**HB 809 by Rep. Grant and SB 1060 by Sen. Bogdanoff** update and modernize a number of definitions related to the communications services tax: The term "cable service" is replaced with "video service." The term "internet access" is defined through reference to federal statute. Definitions for the terms "digital good" and "digital service" are provided and both terms are exempted from the communications services tax.

The definition of "sales price" is revised to allow additional nontaxable items to be billed together in a single line item on a customer's invoice without the entire amount of the line item being taxable. The provisions that govern the assignment of customers to local taxing jurisdictions for the purpose of imposing the applicable local communications services tax are revised to modify the liability of a communications services tax dealer in the event of underpayment of the tax resulting from the dealer assigning a service address to the incorrect local taxing jurisdiction

HB 809 passed the House and Senate unanimously.

#### **Additional Homestead Tax Exemptions for Seniors**

**HB 169 by Rep. Oliva** amends parts of the Florida Constitution, to authorize the Legislature, to allow counties and municipalities to grant an additional homestead tax exemption not exceeding the assessed value of the property to an owner who has maintained permanent residency on the property for not less than 20 years, who has attained age 65, and whose household income does not exceed \$15,000. The general law must allow counties and municipalities to grant this additional exemption by ordinance and must provide for periodic adjustment of the household income limitation of \$15,000 for changes in the cost of living.

The bill passed both the House and Senate unanimously.



### **Homestead Property Tax Exemptions for Surviving Spouses of Military Veterans or First Responders**

**HB 93 by Rep. Harrison**, and its implementing language in HB 95, proposes an amendment to the Florida Constitution that would allow the Legislature to provide ad valorem tax relief to the surviving spouse of a veteran who died from service-connected causes while on active duty as a member of the United States Armed Forces and to the surviving spouse of a first responder who died in the line of duty. The amount of tax relief, to be defined by general law, can equal the total amount or a portion of the ad valorem tax otherwise owed on homestead property. The proposed amendment defines "first responder" to mean a law enforcement officer, a correctional officer, a firefighter, an emergency medical technician, or a paramedic. "In the line of duty" is defined to mean arising out of and in the actual performance of duty required by employment as a first responder.

The bill passed both the House and Senate unanimously.

### **Administration of Property Taxes**

**HB 7097 by Rep. Caldwell** clarifies ambiguous language and deletes obsolete statutory provisions in the property tax statutes. It also amends statutory requirements for scheduling value adjustment board hearings, and reduces the number of reports that must be submitted to the Department of Revenue. This bill also updates the list of military operations that qualify for the deployed service-member exemption. This bill creates a property tax exemption for certain property that is owned by a municipality. It revises statutes relating to the rental of homestead property. The bill provides that tax collectors may collect costs associated with processing tax deed applications electronically. Finally, the bill allows certain disabled veterans and other disabled persons to apply for property tax exemptions before they have received required documentation from certain agencies of the federal government.

The bill passed the Senate 38-1 and the House by a vote of 110-5.

### **Economic Development and Film Incentives**

*By: Ericks Consultants and County Staff*

The Senate and House came to an agreement on this year's economic development package. HB 7087 makes numerous changes to the way taxes are collected, credited or exempted.

Most noticeably, the bill raises the corporate income tax exemption from \$25,000 to \$50,000. This is a priority to Governor Rick Scott.

#### **Film and Television Incentives**

HB 7087 by the House Finance & Tax Committee and Rep. Precourt expands the ability of entertainment production in the state. The bill removes the prohibition on allowing television pilots into the general production queue if more than 25 percent of credits over the history of the program have been granted to television and changes the threshold to 45 percent. It also creates a requirement that a production wishing to claim credits for expenditures related to principal photography must have at least 50 percent of principal photography shooting days spent within Florida or must have spent at least \$10 million on qualified production expenditures within this state.

It extends the Entertainment Industry Financial Incentive Program for an additional year and authorizes \$42 million in tax credits that may be claimed beginning in fiscal year 2015-2016. The types of projects that qualify are amended, and digital media projects are expanded to include interactive websites, digital animation and visual effects projects.

The bill targets other areas as follows:

- 1) Increases tax credits available to the New Markets Development Programs from \$97.5 million to \$163.8 million.
- 2) The bill gives sales tax credits on energy used for packinghouses where fruits and vegetables are packed.
- 3) Lowers to 5% the increase in productive output required for the current sales tax exemption.
- 4) Lowers the weight of airplanes from 15,000 pounds to 2,000 pounds for sales tax exemptions for maintenance and labor.
- 5) Shifts Cigarette Tax money to cancer hospitals.
- 6) Exempts vehicles for hire designed to transport eight or fewer physically-disabled persons, or for the value of a conversion to create such a vehicle, from the sales, rental, use, consumption, distribution and storage tax.
- 7) Appropriates \$226,284 to the Department of Revenue to administer the "Back to School" sales tax holiday.

The bill would have a negative fiscal hit to general revenue. The two biggest hits are the expanding production of maintenance and equipment (\$56.4 million) and the Corporate Income Tax Exemption increase (\$29.4 million).

The bill passed the Senate unanimously and was then passed by the House. It is currently awaiting the Governor's signature to be signed into law.

### **Energy**

*By: Ericks Consultants and County Staff*

HB 7117 is an initiative, backed by the Commissioner of Agriculture, which would extend \$16 million dollars of tax credits for renewable energy. The bill also makes a number of changes to energy laws to streamline and help implement a renewable energy plan state-wide. The bill expands the ability for biofuel permits and allows utilities to recover costs from consumers if the PSC makes such a determination after petition.

HB 7117 also authorizes local governments to use discretionary sales surtax proceeds to provide funding to residential property owners who make energy efficiency improvements to their residential property if done pursuant to referendum.

The bill creates a renewable energy production credit against the corporate income tax based on \$0.01 per kilowatt hour of renewable energy produced. The cap is \$1 million per corporation and \$5 million for state fiscal year 2012-2013, which is increased to \$10 million for 2013-2014 through 2016-2017, with provisions for prorating credits if claims exceed the annual cap.

Ultimately, the House accepted the Senate position and voted 116-2 in favor of the bill, while the Senate voted 38-2. It is now awaiting the Governor's signature.

### **Growth Management, Environment, and Water**

*By: Ericks Consultants, Corcoran, Johnston & Blair and County Staff*

#### **Water**

Two priority bills pass through both the House and Senate. **HB 503 by Rep. Patronis** took two years to work with stakeholders to deal with controversial parts of previous year's legislation. HB 503 prohibits a county or a municipality from conditioning the processing for a development permit on an applicant obtaining a permit or approval from any other state or federal agency and likewise requires the same prohibition for the State, a provision included in the bill at Palm Beach County's request. It reduces the time for agency action or proposed action on a permit from 90 to 60 days. The bill is touted as a measure

that will streamline permitting for developments.

**HB 639 by Rep. Young** would essentially reclassify wastewater and remove it from the consumptive use permitting process. This bill was originally supported by water utilities and opposed by environmentalists. However, an accord was reached early and the bill passed the Senate unanimously and the House with just one nay vote.

### **Growth Management**

**HB 7081 by Rep. Workman** is a “glitch” bill to last year’s main growth management package. The bill makes a number of modifications and clarifications to the Community Planning Act that were compiled through various discussions and feedback received by the Senate Committee on Community Affairs from stakeholders, including the state land planning agency and local governments. Modifications include fixing cross-references, updating outdated language, and removing provisions throughout the statutes that the act made obsolete such as references to the twice-a year limitation on adopting plan amendments that no longer exists and references to the evaluation and appraisal report that no longer is required.

The bill also allows for any initiative or referendum of a development order to be retained and implemented so long as it was done before June 1, 2011.

The bill passed both chambers and is now awaiting the Governor’s signature.

### **Developments of Regional Impact (DRI)**

**HB 979 by Rep. Diaz** is a bill that makes changes to provisions of law relating to developments of regional impact.

Among other things, this bill exempts from the DRI review process any proposed development, in local government jurisdictions that are not designated as dense urban land areas, which is approved as a comprehensive plan amendment adopted pursuant to the state coordinated review process and which is the subject of a qualified target industry business tax refund agreement pursuant to state statute. The exemption does not apply to areas within the boundary of any area of critical state concern or within two miles of the boundary of the Everglades Protection Area.

The bill creates a section of law which provides for application and approval of an amendment to the local comprehensive plan by the owner of land that meets certain criteria as an agricultural enclave.

The bill passed the Senate 36-3 and the House by a vote of 87-31. It is now awaiting the approval of the Governor.

### **Agriculture**

**HB 1197 by Rep. Horner** provides the department with the exclusive authority to regulate beekeeping, apiaries, and apiary locations and provides that an apiary may be located on land classified as agricultural under statute or on land that is integral to a beekeeping operation. This bill also provides that the department must consult with local governments and other affected stakeholders prior to adopting rules relating to beekeeping. This bill exempts farm signs from the Florida Building Code and any county or municipal code or fee. The bill also prohibits local governments from charging stormwater assessment fees on agricultural land.

The bill did have a last minute amendment which would have deleted the prohibition against certain animal dyes was tacked onto this bill. The sponsor said that Florida cannot hold certain breeding shows, such as dog or horse

shows, because dye is used to color the hair of certain show animals. The Humane Society objected, but the amendment was placed onto the bill.

The bill passed the House 109-5 and the Senate 33-3.

**Municipal Conversion of Independent Special 179 Districts Upon Elector-Initiated and Approved Referendum**

**SB 692 by Bennett** was amended during the last week of session to include language that would allow for the municipal conversion of independent special 179 districts upon elector-initiated and approved referendum. The legislation creates new policy on how special districts can become a municipality. The language allows between 6-10 districts throughout the state to convert under this new process. Most notably it would pertain to the Seminole Improvement District in Palm Beach County which encompasses Callery Judge Groves.

**911 Good Samaritan (HB125 by Bernard/SB 278 by Sachs)**

*By: County Staff and The Moya Group*

Language in HB 125 and SB 278 provide that a person who experiences a drug-related overdose and is in need of medical assistance may not be charged, prosecuted, or penalized for possession of a controlled substance. This only applies if the evidence for possession was obtained as a result of the overdose and the need for medical assistance. The bill states that the previously-described protection from prosecution for possession offenses may not be grounds for suppression of evidence in other criminal prosecutions.

The Senate voted unanimously to approve SB 278, and the House passed it 117-1. It is now ready to be signed into law by the Governor.

**Inmate Re-entry (HB 177 by Rep. Porth/SB 448 by Sen. Bogdanoff)**

*By: County Staff*

These two pieces of legislation were still alive going into the last week of Session. Ultimately, SB 448 was laid on the table for HB 177, which passed both the House and the Senate and will be sent to the Governor for signature. This legislation would allow nonviolent offenders with a history of substance abuse problems that have served at least half of their sentences to be placed in intensive substance abuse treatment programs upon approval of the sentencing court and the State Attorney. Space must be available in an approved program and offenders must serve at least 6 months in the reentry program. Upon successful completion of the substance abuse program, these offenders would have the incarcerative portion of their sentence reduced and would be placed on drug offender probation. If the offender violates the conditions of drug offender probation, the bill authorizes the court to revoke probation and impose any sentence that it might have originally imposed.

Furthermore, all inmates would be required to go through a 100-hour transition training program prior to their release from a correctional facility. Lastly, the legislation defines nonviolent offenders as those convicted of a 3rd degree felony, no history of forcible or sex offender related felonies, and no habitual offender status. The main purpose of this legislation is to divert certain offenders from long periods of incarceration, thereby reducing costs to the state and improving outcomes for those transitioning out of Florida's correctional facilities into our local communities.

**Traumatic Brain Injury (HB 977 by Nelson/SB 922 by Bennett)**

*By: County Staff*

HB 977 and SB 922 constitute the *T. Patt Maney Veterans' Treatment Intervention Act*. These bills authorize the chief judge of each judicial circuit to

establish a Military Veterans and Service Members Court Program. This legislation allows counties to establish such a program to divert a veteran or service member who is charged with a criminal offense into an appropriate treatment program if they suffer from a mental illness, post traumatic stress disorder (PTSD), traumatic brain injury (TBI), substance abuse disorder, or psychological problem as a result of their military service. It also adds both felony and misdemeanor pre-trial intervention programs as eligible treatment programs for veterans and service members.

SB 922 passed both the House and Senate unanimously. It has been sent to the Governor for his approval.

### **Beach Management**

*By: Corcoran, Johnston & Blair and County Staff*

House Bill 691, relating to Beach Management, by Rep. Frishe, renames parts I and II of chapter 161, F.S., as the "Dennis L. Jones Beach and Shore Preservation Act." It implements most of the Beach Management Working Group's recommendations regarding streamlining and transparency. The bill does not reduce environmental protections for beach construction projects, including nourishment and erosion control projects. The bill clarifies guidelines cannot be enforced as rules and clarifies requirements for DEP to make requests for additional information. Finally, the bill exempts certain minimal exploratory activities from permitting.

Both the House and Senate passed this legislation unanimously. It now awaits the Governor's signature of approval.

### **Legal Notices**

*By: Ericks Consultants*

HB 937 by Rep. Workman requires newspapers that publish legal notices in print to also publish those notices on the newspapers' websites at no additional charge; place those notices on [www.floridapublicnotices.com](http://www.floridapublicnotices.com), which is a website maintained by the Florida Press Association as a repository for legal notices; and provide e-mail notification of new legal notices when they are printed and added to the newspaper's website. The notification service must be provided free of charge to persons upon request.

The bill passed the House unanimously and the Senate 23-13 and has been sent to the Governor for his approval.

### **Online Travel Companies**

*By: Foley & Lardner and Ericks Consultants*

Rep. Brodeur's Online Travel bill, HB 1393 was temporarily postponed in House Finance & Tax Committee three times this session and the Senate bill was not heard in a committee this session.

### **Red Light Cameras**

*By: County Staff and Ericks Consultants*

HB 4177 by Rep. Plakon and SB 1542 by Sen. Evers regarding repeal of the Red Light Camera legislation that passed two years ago did not pass this session.

### **Wage Protection for Employees - SB 862 and HB 609**

*By: Ericks Consultants*

This bill prohibiting local governments from enacting laws relating to wage theft died in the Senate Judiciary Committee this session.

### **Term Limits/ County Officers - HB 785**

*By: Ericks Consultants and Corcoran, Johnston & Blair*

HJR 785 proposed an amendment to the Florida Constitution to authorize the imposition of term limits on county commissioners when provided for by county charter. While the bill passed the full House unanimously, the Senate companion, SB 1070, died in the Judiciary Committee.

### **Local Bills**

*By: County Staff*

The following local bills passed both the House and Senate and have are now awaiting the Governor's signature:

**HB 1255 by Rep. Abruzzo, relating to the Acme Improvement District and Lake Worth Drainage District**, provides for the transfer of the "Wellington Medical Arts District" from LWDD to Acme. The Medical Arts District property consists of nine major properties totaling approximately 212 acres. The goal of the Medical Arts District is to create an integrated campus that will provide sustainable professional and technical employment opportunities for citizens of Wellington.

**HB 1301 by Rep. Abruzzo, relating to the City of West Palm Beach**, amends the Police Pension Fund of the City of West Palm Beach. It allows the City of West Palm Beach to use collective bargaining to implement pension reform for its police.

**HB 1325 by Rep. Abruzzo, relating to the City of West Palm Beach**, amends the Special Act Pension Plan for the West Palm Beach Firefighters Pension Fund. These changes cannot be accomplished locally as the Pension Plan is a creation of the Florida Legislature. An amendment to the Plan is necessary because the City of West Palm Beach and the Association of Firefighters Local 727 have agreed in collective bargaining to certain benefit and funding changes.

**HB 1481 by Rep. Abruzzo, relating to the Loxahatchee Groves Water Control District**, revises the procedures for the election of the board members, pursuant to a voter referendum held in June 2011, to provide that one seat will be a popularly-elected, nonpartisan office. It specifies such seat will be elected by qualified electors on the day of the annual landowners' meeting in 2012, and that such election will be administered by the district. The bill extends the term of one board member by one year and updates a provision specifying the number of board members. This bill was amended on the floor of the House to correct an inadvertent deletion of the election runoff procedure from the Act.

**HB 4175 by Rep. Pat Rooney, relating to Palm Beach County**, repeals a 1969 Palm Beach County Special Act relating to rabies vaccination and licensing and regulation of animals. Repeal of this Special Act will allow Palm Beach County to regulate rabies vaccination and handle licensing and regulation of animals through provisions found in general law and in the 1998 Palm Beach County Animal Care and Control Ordinance.

**HB 1381 by Rep. Clemens, relating to the West Palm Beach Downtown Development Authority**, removes a parcel of land known as One Watermark Condominium from the boundaries of the DDA.

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**Pension Contribution Ruled Unconstitutional  
By Ericks Consultants**

Last session, the Legislature required that employees pay 3% into their pensions. The move saved the state more than a billion dollars and opponents argued that the contributions were solely for the constitutionally required budget balancing that takes place each year. The budget measure passed and was immediately challenged in court.

During the last week of session, Circuit Court Judge Jackie Fulford ruled that this was unconstitutional. Her reasoning was that the state and FRS existing members were in a contract and that the requirement to contribute was a breach of such contract. The breach amounted to an unconstitutional taking. The budget bill from last year also deleted cost of living adjustments for retirees.

This will be appealed to the 1<sup>st</sup> District Court of Appeal and the Florida Supreme Court will ultimately decide the constitutionality of the plan.

**FEDERAL UPDATE**

**Highway Bill Wins Senate Passage**

*By: Becker & Poliakoff*

The Senate passed 74-22 a two-year surface transportation reauthorization bill ([S 1813](#)). It would call for more than \$100 billion for highways, transit, safety and other programs at current levels, with most funding adjusted for inflation. The latest short-term extension (PL 112-30) expires March 31. The House, currently on a one-week recess, could take up a version of the Senate bill or its own multi-year reauthorization. House Speaker John A. Boehner, R-Ohio, has told his caucus that he plans to bring the Senate version to the House floor this month if disagreement continues on their measure.