

MEMORANDUM

TO: NAIOP
FROM: GrayRobinson
DATE: October 13, 2017
SUBJECT: 2018 Legislative Session - Committee Week of October 9-12

It was a busy “first” committee week for the 2018 Legislative Session. The intended first committee week was scheduled the week of September 11. That, of course, was cancelled due to the then-looming threat of Hurricane Irma. Amidst the recovery effort and issues resulting from the storm, much of the legislators’ time during this first week was focused on the recovery efforts for the State, including tourism promotion, power utility issues and debris cleanup. In between all of that, there was a full slate of committee meetings and priority legislation of both the Speaker and Senate President began to move. Below are issues related to our work for you and other hot topics addressed during the week.

Activities and Bills related to NAIOP

Chris Carmody on our team has been working with Brandice Pelfrey, Kyle Jones and Kami Corbett to make the annual meeting in November a productive one. Much of the discussion will center on priority issues for NAIOP in the 2018 Legislative Session and beyond. If you have suggested topics or issues, please don’t hesitate to contact Chris Carmody (chris.carmody@gray-robinson.com). We look forward to a very productive conference. Below is legislation of interest filed for the 2018 Legislative Session.

Business Rent Tax – SB 60 (Hukill) – This bill, if passed, would reduce the Business Rent Tax from 5.8 percent to 5 percent. The bill has three references: Community Affairs, Appropriations Subcommittee on Finance and Tax, and Appropriations. We expect other bills to be filed related to the Business Rent Tax.

Growth Management – HB 207 (McClain) and SB 362 (Perry) – This bill’s focus is on private property rights. It proposes amending section 163.3167, *Florida Statutes*, to require that local governments address in their comprehensive plans the “protection of private property rights.” It further requires that cities and counties adopt a “property rights element” that will set forth

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principles, guidelines, standards and strategies to guide the local government's decision and program implementation. The House bill has three committee references: Agriculture & Property Rights Subcommittee; Local, Federal & Veterans Affairs Subcommittee; and Commerce Committee. The Senate bill does not have references yet.

Impact Fees – SB 324 (Young) – This bill, if passed, would require that the earliest a government can collect impact fees is the issuance of the certificate of occupancy for the property. There is no House companion yet. The bill has three references: Community Affairs; Appropriations Subcommittee on Finance and Tax, and Appropriations.

Private Property Rights – SB 292 (Rodriguez) – This bill would exempt from the definition of “public utility” property owners that own and operate renewable energy source devices, that produce renewable energy from that device, and provide and sell such renewable energy to users on that property. There is no House companion yet. This bill has three committee references: Communications, Energy, and Public Utilities; Community Affairs; and Rules.

Municipal Conversion of Independent Special Districts - SB 84 (Lee) – This bill does not have a direct nexus to NAIOP. However, anything that could affect the formation of a new municipality, and thus, a new regulating entity, is relevant. This bill, if passed, would require that when independent special districts seek conversion into a municipality, they must have at least 1,500 citizens in counties with less than 75,000 citizens, or 5,000 citizens in counties with more than 75,000. This bill has three committee references: Community Affairs; Ethics and Elections; and Rules.

Rural Economic Development Initiative – SB 170 (Grimsley) – This bill makes several changes to the Rural Economic Development Initiative statute. What is relevant to NAIOP is that this bill would remove the limitation on the number of designations available. If passed, it is conceivable that additional REDIs could be established, and that would create a better opportunity for commercial development. The bill has four committee references: Commerce and Tourism; Agriculture; Governmental Oversight and Accountability; and Rules.

Summary of October 9-12 Committee Week

Senate Education Committee Gives Good Grade to Higher Education Priority - A bill containing the Senate President Joe Negron's higher education priorities easily cleared its first committee stop Monday. The legislation, SB 4 by Galvano brings back several issues from the 2017 legislative session.

The bill would make permanent a series of funding changes to the state's higher education system — including the restoration of the top-level Bright Futures scholarship, along with new funding aimed at hiring top faculty. Many of the changes were included in the current state

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budget but were vetoed as part of a broader policy package that also made changes to the state college system.

The legislation this year would restore the second level of Bright Futures, the Medallion Scholar Award, to once again cover 75 percent of tuition.

Senate Criminal Justice Hears Inmate Reentry and Searches By Law Enforcement – On Monday, the Senate Criminal Justice Committee took up one bill and temporarily postponed the other. The first, SB 226 by Bracy, relating to Inmate Reentry Services would, among other things, specify that the release orientation program consist of at least 200 hours of instruction time and begin at least 360 days prior to the inmate's release. The bill also adds to the instruction topics of the release orientation and increases the comprehensive transition course from 100 hours to at least 200 hours.

The second bill SB 262 by Farmer, relating to Searches by Law Enforcement Officers was temporarily postponed. The bill would prohibit searches of persons or property without disclosure by a law enforcement officer that the person can decline the search (unless exercising a valid warrant or based on another legally justified reason).

Senate Environmental Preservation and Conservation Committee Approves Funding for Coasts and Land – On Monday, the committee passed SB 174 by Latvala, relating to Coastal Management. The law, if passed, will annually provide \$50 million for beach management and erosion projects. It also refocuses Florida's attention on inlets as the major driver of erosion and requires the Department of Environmental Protection to develop a three-year plan for beach repair.

The committee also passed SB 204 by Bradley, relating to Land Acquisition Trust Fund. The bill will give \$75 million annually for springs and \$50 million a year for the restoration of St. Johns River and related projects.

Having passed their first committee of reference, the bills still need to pass two appropriations panels before heading to the chamber floor.

Senate Banking and Insurance Passes Direct Primary Care Measure – SB 80 by Lee seeks to enable patients to see doctors as often as they like on a monthly or quarterly basis for a subscription-service fee. The model is somewhat akin to that of online television where consumers pay monthly for unlimited viewing.

The bill had a strike-all amendment that changed the measure from impacting health policy to impacting insurance but didn't change the substance of the bill.

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The measure will next stop in the Senate's subcommittee on health policy. Its final stop will be in the Senate Appropriations Committee. Representative Danny Burgess has filed similar legislation (HB 37) in the House.

Speaker Priority Local Government Transparency Bill Headed to the House Floor - House priority legislation to require more fiscal transparency by local governments started moving in the chamber this week, but a staff analysis of HB 7 by Burton says passage by the Legislature may require a two-thirds vote instead of a regular majority.

When local governments attempt to raise taxes or take on debt, the bill requires additional public hearings, expands public notice requirements and calls for a four-year history of budget documents to be posted on government websites.

Article VII, Section 18 of the Florida Constitution says the state can't force local governments to spend funds unless it fulfills an important state interest among other requirements. The bill passed on a 15-4 vote in House Ways & Means, after testimony from local governments that had concerns. It now heads to the House floor for consideration by all members (likely the first week of Session in January 2018).

Preview of October 23-26 Committee Week

The second committee week will be a full one for both the House and Senate, including full Appropriation meetings. While the agendas have not yet been released, one notable event will take place on Tuesday, October 24 – the Senate Republican Caucus will designate Bill Galvano as the President for the 2019 and 2020 legislative sessions.