

Team NAIOP,

I could color this opening paragraph with a sunny disposition on the matters being addressed in Tallahassee, but we have work to do. The time is now to act on our key issue – business rent tax. House and Senate are in active negotiations on the budget, and thus, the tax package. Critical to those negotiations are the business rent tax. The House remains firm that it wants a reduction in this tax. The Senate, due to politics discussed on our Monday call, remains opposed to the business rent tax reduction. With 20 days left in session, anything can happen. And we are still very much alive, but in a battle. Below is a breakdown on our strategy and discussion of other key issues this session.

Business Rent Tax Reduction:

Posture: The House passed a \$1 billion tax cut package which includes a permanent one cent reduction in the business rent tax, as well as an additional cent for 2018. The Senate has not passed any tax package. The House version has been referred to the Senate Appropriations Committee. Once a deal is struck with the House and Senate on the budget, it is expected that the Senate Appropriations committee will take up the House tax package and amend it to fit the deal. This could take place as early as this coming week, but more likely the following week. This is why it is critical for us to lobby our friends in the House and Senate asap.

Action Plan:

House – For those of you that are close enough to House Chairman Matt Gaetz or House Appropriations Chair Richard Corcoran, I highly encourage you to reach out to them today, this weekend and/or Monday and express gratitude for what they have done, and ask that they hold the line on the business rent tax. If the House never bends, one of two things happen: the Senate compromises or nothing passes. We need the House to hold the line.

Senate – For those of you that are close enough to the following Senators, you are encouraged to reach out to them today, this weekend and/or Monday: President Andy Gardiner, Senator Tom Lee, Senator David Simmons, Senator Joe Negron, Senator Lizbeth Benacquisto, and Senator Jack Latvala. Of course, if you have other contacts, please call them. But the above listed are the key stakeholders on this issue. If they tell you that they are “good with the issue” but “not sure about others,” press them to reach out to the President and Appropriations Chair. We need them to be champions for us.

Conference Call: To keep everyone posted on the latest information, we can host a conference call Tuesday afternoon at 4pm. A calendar invite will follow this email.

Freight Mobility:

Representative Lake Ray and Senator Wilton Simpson have filed freight mobility and trade legislation that would set aside any deposits in excess of \$200 million in the Transportation Trust Fund for freight and mobility projects. In addition, certain fees collected by DHSMV will be set aside for these projects. This legislation aims to create a funding stream for the Freight Mobility Plan and keep Florida “in the game” with freight and trade.

Update: Same as last week. Sponsors confirmed that this legislation is not going to move this year.

Medical Tourism:

Senate Bill 178, which requires Enterprise Florida to market Florida as a health care destination, passed out of Senate Health Policy Committee in December. This legislation now awaits a hearing in Appropriations.

Update: Same as last week. The Appropriations meets twice more before session ends: February 25 and March 1. We are hopeful this is placed on one of those agendas.

Growth Management:

SB 7000, which provides that a proposed development that is consistent with certain comprehensive plans is not required to undergo review pursuant to the state coordinated review process, picked up a reference to the Rules committee and awaits a final hearing. In its last committee, it took on several amendments.

Update: The Rules Committee will hear this legislation on Wednesday, February 24, 10am. We will be there to monitor.

SB 1190 (Diaz de la Portilla), specifies that persons do not lose the right to complete developments of regional impact upon certain changes to those developments, amongst other things.

Update: This passed Appropriations Subcommittee on Transportation, Tourism and Economic Development this past Wednesday. Further, it is on the agenda for Fiscal Policy this coming Wednesday, February 24. We will be there to monitor testimony and report back.

HB 1361 (La Rosa) addressing developments of regional impact.

Update: The Economic Affairs committee took up and passed this unanimously on Thursday, February 18. This legislation is now awaiting a vote on the House Floor.

Value Adjustment Boards:

House Bill 499 and Senate Bill 766 create a major overhaul of the value adjustment board make up and procedures. Namely, it requires the owner of a property or a certified representative file the formal challenge, restricts who can represent a property and changes the interest rate from 12% to prime. A copy of the House analysis is attached for your review.

Update:

House, the Appropriations Committee took up and passed this unanimously on Tuesday, February 16. This is now ready for the House floor..

Senate, the Finance & Tax Committee took up and unanimously passed this on Tuesday, February 16. It now awaits a hearing in Appropriations.

Other Issues of Interest:

Public Private Partnerships: Legislation by Representative Steube (95) and Senator Evers (124) revises the Public Private Partnership statutes based on the taskforce recommendations from one year ago. Both pieces of legislation are moving and are expected to pass. If approved by the Governor, they will streamline the PPP process.

Update: The House bill awaits a vote on the House floor. The Senate has been placed on the Fiscal Policy agenda for Wednesday, February 24.

Airport Zoning: This bill (HB 1379 and SB 1508) updates and revises chapter 333, F.S., the “Airport Zoning Law of 1945”, which governs land use and airspace management at or around airports. Originally enacted in 1945, it contains many outdated provisions and internal inconsistencies, as well as provisions that are inconsistent with current federal regulations. Likewise, stakeholders found that the local government airport protection zoning process as it currently exists is often cumbersome and confusing. A copy of this legislation is attached for your review.

Current Posture: The House bill is waiting for a vote on the floor. The Senate version is waiting for a hearing in Appropriations.

[Airport Zoning Law](#)

Friday Feature Five: Below is the GrayRobinson team’s weekly session recap of the five big stories.

Thank you again for the honor of serving you in Tallahassee. We have 20 days left until session ends (we hope). We are working around the clock to deliver success on the business rent tax issue. Of course, please do not hesitate to contact any of us, should you have any questions.

Chris