

BAL HARBOUR

- V I L L A G E -

OFFICE OF THE VILLAGE MANAGER

LETTER TO COUNCIL

NO. 029-2020

To: Mayor Gabriel Groisman and Members of the Village Council
From: Jorge M. Gonzalez, Village Manager 
Date: February 21, 2020
Subject: **Legislative Session Week 5-6 Reports**

The purpose of this Letter to Council (LTC) is to transmit the attached Legislative Session Week 5-6 Reports provided by Ron L. Book.

If you have any questions or need any additional information, please feel free to contact me.

JMG/MH



Ronald L. Book, P.A.
LAW OFFICES
PROFESSIONAL ASSOCIATION

Session 2020 Report Weeks 5 and 6

Enclosed is our Session Report for week 5 and 6 which includes an update on funding requests and legislative issues. Please let us know if you have questions on any issue included in this report, or on any other issue of concern. We will be happy to provide further information.

➤ **FUNDING REQUEST UPDATE:**

This week, as it pertains to the budget, the House and Senate are gearing up for the budget conference meetings to begin. Meaning, there has been no change in the funding request status.

We have continued our meetings with appropriation subcommittee chairs, the full appropriations committee chairs, the Speaker and his staff, and the Senate President and his staff, on funding issues. We expect allocations of total funding amounts that each appropriations subcommittee can use, to be issued in the upcoming week. After that is issued and conference committee members are announced, budget conference would begin. As you know, through the Conference process the Legislature will work toward one budget, reconciling the differences between the two. Below are the current funding levels as they stand pre-conference, in the Senate and House budgets.

- **Bal Harbour Village Storm Water System Improvements** (HB 2877/LFIR #1114)
Sponsors: Senator Pizzo, Representative Geller
Senate: \$250,000 line 1635A **House:** \$100,000 line 1635A

➤ **LEGISLATIVE ISSUES:** Below are several bills of interest to local governments. As we progress through Session, we will add legislation that is moving through committees.

Tax Cut Package: (HB 7097) Language in the newly released, 89-page proposed House tax cut package legislation addresses the CST among other issues relating to local governments. This proposal was released and discussed in the House Ways and Means Committee during week 6. Attached is a detailed staff analysis of this proposed committee bill. Highlights of the bill are as follows:

- **Communications Services Tax:** The bill provides for a 0.5 percentage point reduction in the state communications services tax.
- Future sunset of the **Charter County and Regional Transportation System Sales Surtax currently levied in Miami-Dade County**, and a requirement that any future levy of the tax in any eligible county be limited to 20 years in duration
- **Corporate Income Tax:** the bill provides for a one-time increase of \$8.2 million available for the brownfields tax credit program equal to the amount of the current backlog of approved tax credits.
- **Tourist Development, Convention Development, and Local Option Food and Beverage Taxes Levied in Miami-Dade County** restructure of authorized uses.
- **Tourist Development Taxes in all Counties:** The bill also expands the allowable uses for TDT in all counties to allow for water quality improvement and parks and trails projects
- **Sales Tax:** Several provisions related to sales tax are included
 - A reduction in the tax rate for commercial property rentals from 5.5% to 5.4%;

- A three-day “back-to-school” tax holiday in early August 2020 for certain clothing, school supplies, and personal computers; and a seven-day “disaster preparedness” tax holiday in May and June of 2020 for specified disaster preparedness items
- A requirement that School Capital Outlay sales surtaxes approved in the future be proportionately shared with charter schools;
- A repeal of the Sports Development Program
- A change in distributions made under the Tax Collection Enforcement Diversion Program

Communications Services Tax: (HB 701;by Fischer and SB 1174 by Hutson) This legislation would reform the communications services tax (CST) reduce the local CST rate to 5% or less by January 1, 2021 and 4% or less by January 1, 2022. The bills also reduce the state CST rate from 4.92% to 4.9% and the noncharter county CST rate to 2% by January 1, 2022. The bills repeal the local option sales surtax conversion that is levied on communications services.

See Tax package summary above and attached staff analysis.

HB 701 has not been heard to date. SB 1174 passed its first of three committees. However, this is an issue addressed in the proposed tax relief package mentioned above, summary attached.

Vacation Rentals: (SB 1128 by Diaz and HB 1011 by Fischer) We continue to work closely with the League of Cities to oppose this bill, however, it is evident that both House and Senate leadership have prioritized this bill for passage this Session. The bills are moving through committee and is likely to pass this year. At this time, the bills do the following:

- Preempt to the state the regulation of vacation rentals, including licensure and inspections
- Require that any local ordinance must be applied uniformly to all residential properties
- Clarify that local regulations cannot prohibit all rentals locally, can impose occupancy limits on rental properties, or require inspections or licensing of rentals.
- Preempt all regulation of vacation rentals to the state with local ordinances in place before June 1, 2011 exempt.
- The House amended the bill to add a recurring appropriation to fund 19 full time positions at DBPR to carry out the mandates within the bill.

SB 1128 has passed two of three committees and we expect the bill to be heard in the Senate Rules committee next week.

Vacation Rental continued: HB 1011 has passed all of its committees. In the House bill, HB 1011, local governments continue to be preempted from licensing, inspections, and regulating the platforms, anything regulated at the municipal level post 2011. The House bill does the following:

- Regulations in place prior to June 1, 2011 remain grandfathered in.
- Any pre-2011 regulations can be amended only if it is less restrictive.
- Preemption to the State for licensing and inspections (post 2011).
- Any local regulations would be required to apply uniformly across all residential properties
- The Keys as defined in their designation of a critical area of state concern would be exempt from the preemption.
- 24 hour notification of the Sheriff for any sexual predator using a vacation rental (does not include the category of sexual offender).
- Enacts a preemption on local regulation of any advertising platforms.
- A vacation rental license must be displayed on the premises and in any advertisements
- A Platform must adopt anti-discrimination policies and inform users that it is illegal to discriminate.
- Platforms must collect and remit taxes to the DOR or County.

- Specifies that the bill does not supersede the statutory authority of condominiums, cooperatives, or homeowners' associations to govern the use of their properties.

HB 1011 passed the Commerce committee with a vote of 14 – 9.

Red Light Cameras Prohibition: (HB 6083 by Ingoglia and Rodriguez (Ant)) This bill would repeal the authorization for local governments to use red light cameras within their jurisdiction.

HB 6083 has passed its first committee but was not heard this week.

Sovereign Immunity: SB 1302/Flores No House companion bill. The bill proposes an increase in the per-occurrence liability cap to \$500,000 from \$1 million. The bill does not expand the liability of a government entity for damages resulting from the actions of a state employee acting in bad faith. We continued to voice the County's concerns with the sponsor and members.

SB 1302 has passed two of three committees.

Legal Notices: (HB 7 by Fine and SB 1340 by Gruters) The bill clarifies that a governmental agency must provide annual notice in a newspaper or other publication of the ability to receive notices by email or first-class mail only if the governmental agency uses a publicly accessible website to publish notices. It also provides that notices for public-private partnership projects must be published in the Florida Administrative Register and in each county where the project is located.

HB 7 has passed all committees and is ready for floor action. SB 1340 has been temporarily postponed in two Judiciary committee meetings.

Local Government Officials/Weapons and Firearms: (SB 1524 by Gainer and HB 183 by Ponder) This bill authorizes city and county commissioners who are licensed to carry a concealed weapon or firearm, to carry their weapon to a meeting of the governing body of which he or she is a member.

SB 1524 has not been heard to date. HB 183 has passed all of its committees and is ready for the full House.

Local Government Fiscal Transparency Act: (SB 1702: by Diaz and HB 1149 by DiCeglie) This bill addresses increased fiscal transparency for local governments and would require the following:

- Public access to voting records of local governing body members related to tax increases and the issuance of tax-supported debt
- Online access to truth-in-millage (TRIM) notices and a four-year history of property tax rates and total revenue generated by each local government
- Public meetings and expanded public notice requirements for local option tax increases and the issuance of new long-term, tax-supported debt;
- Require local governments to conduct a debt affordability analysis prior to issuance of new long-term, tax-supported debt
- Allows the Auditor General to request evidence of corrective action from local governments found not to be in compliance with the Act and to report those who fail to do so to the Legislative Auditing Committee.

SB 1702 has not been heard to date. HB 1149 has passed all committees and will be heard by the full House on 2/26.

➤ Session Dates: January 14, 2020 through March 13, 2020.