

# BAL HARBOUR

- V I L L A G E -

Bal Harbour Village Logo

OFFICE OF THE VILLAGE MANAGER

LETTER TO COUNCIL

NO. 055-2020

To: Mayor Gabriel Groisman and Members of the Village Council

From: Jorge M. Gonzalez, Village Manager 

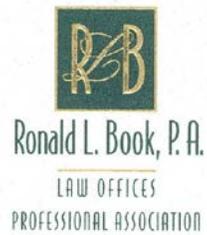
Date: April 10, 2020

Subject: **Legislative Session Final Report 2020**

The purpose of this Letter to Council (LTC) is to transmit the attached Legislative Session Final Report provided by Ron L. Book.

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

JMG/MH



## **Bal Harbour Village Final Report - Legislative Session 2020**

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On behalf of Ronald L. Book, Kelly Mallette, and Rana Brown, we would like to first and foremost extend our appreciation for the continued opportunity to represent Bal Harbour Village. Enclosed is our final Session Report for the 2020 Legislative Session. After a 6 day extension to complete the budget, the Legislature adjourned Sine Die on Thursday, March 19<sup>th</sup> at 1:49 pm. The report below includes an update on the funding request, and legislative issues of interest to Bal Harbour Village. 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.

➤ **BUDGET UPDATE:**

We worked throughout Session to advocate for funding for the Village's project listed below. We focused on working with and meeting weekly with the funding request sponsors, Appropriations subcommittee chairs, full committee chairs, House and Senate leadership, as well as with staff. As reported, we worked with the sponsors to have the request filed, the budget bill heard in the House as required, and throughout Session, we advocated on behalf of funding for the Village's project. Below is the funding level for each as passed in the final State budget for FY 2020 -2021.

As we reported, we worked with the sponsors to have the budget forms filed, the budget forms in the House are then converted to bills, and we worked to have the funding bill heard in the House as required, and for the 60 days of the Session, we never stopped advocating for funding for the Village's project request. You will see the funding level below as it was in the final, FY 2020 – 2021 State budget.

It is important to note, that as of today, Governor DeSantis has not yet acted on the budget. In recent days, the Governor outlined his plan to take action on the budget. He made it clear that our State needed to get through the Corona Virus pandemic, and have a better understanding of the true impact and effect the health crisis will have on our state economy.

Prior to the end of the legislative session, our team began working with the Governor's staff on your budget item, making certain that once the budget is reviewed with the Governor, they will be ready to fully describe the lawmakers priorities to the Governor that are contained within the \$93.2 billion budget.

We do fully expect the Governor to call the Legislature into special session potentially more than once over the next 60 – 180 days. The intention will be to address budget shortfalls and issue subsequent budget cuts as may be needed. We also believe that a Special Session will likely address gaming issues which would include the creation and regulation of a sports book among other things. We will update you on all of this as we move through the next several weeks.

➤ **FUNDING REQUESTS:** Below is the final funding level for the funding request (pre veto period).

<p><b>Bal Harbour Village Storm Water System Improvements</b> <b>Sponsors:</b> Senator Pizzo, Representative Geller <b>Funded: \$425,000</b> (budget line 1635A)</p>
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➤ **LEGISLATIVE ISSUES:**

**Tax Cut Package:** (HB 7097 by Representative Avila) Negotiations on this tax package mirror somewhat the budget process, as one bill originating in the House, and negotiated with the Senate, the following summarizes the final tax package.

- Sales Tax Holidays:
  - Provides a 3-day “back-to-school” tax holiday from August 7, 2020, through August 9, 2020, for certain clothing, school supplies, and personal computers.
  - Provides a 7-day “disaster preparedness” tax holiday from May 29, 2020, through June 04, 2020, for specified disaster preparedness items.
- Insurance Premium Tax: Reduces the tax rate applied to surplus lines policies from 5 percent to 4.94 percent and applies that rate to all policies, regardless of the location of the risk.
- Ad Valorem Tax: Limits a charitable hospital’s property tax exemption to the amount of community benefits provided by the hospital.
- Deployed Servicemember property tax exemption: Updates the qualifying operations for the deployed servicemember property tax exemption.
- Value Adjustment Board: Prohibits the use of a special magistrate’s appraisal as evidence at value adjustment board hearings in a year that the special magistrate serves the board.
- Property Tax Notices: Restricts information that may be mailed with the annual Notice of Proposed Property Taxes.
- Affordable Housing:
  - Includes as portions of exempt affordable housing property vacant units and units occupied by persons or families that met the qualifying income thresholds at the time they began their tenancy, but whose income grew through the income thresholds.
  - Exempts from property tax an affordable housing project owned by a limited liability company, which is also owned by a limited liability company, if the owner of the second limited liability company is a qualifying 501(c)(3) entity.
- Sales Surtaxes:
  - Limits future levies of the Charter County Transportation System Surtax to 30 years.
  - Requires that School Capital Outlay sales surtaxes approved in the future be proportionately shared with charter schools.
  - Includes contributions to scholarship funding organizations as tax liabilities for purposes of refunds of corporate income tax required by s. 220.1105, F.S.
- Local Impact Fees: Exempts new school construction projects funded solely through local impact fees from the total cost per student station limitation.
- Tourist Development Tax: Increases the population limit under which a county is authorized to use its tourist development tax revenues for zoological parks, fishing piers, and nature centers from 750,000 to 950,000.
- Section 179D, Internal Revenue Code: Prohibits an owner of a public building from soliciting any payment for providing the allocation letter needed to receive a federal income tax deduction for energy efficient construction.
- Tax Administration: Makes changes to property tax roll classifications and required statistical measurements; provides flexibility in property tax noticing requirements during declared states of emergency; extends the time to provide documentation relating to certain boat and aircraft sales; extends the time property owners affected by Hurricane Michael may begin rebuilding and retain their prior assessment limitation; increases bond limits for certain bonds required of motor fuel dealers; amends the penalty for mislabeling dyed diesel fuel; requires certain payment settlement entities to provide a federal tax form to the Department of Revenue; and provides procedures for local governments to update business addresses and provides procedures for correcting local government distributions.

IHB 7097 was approved by the Governor, and takes effect July 1, 2020.

**Communications Services Tax:** (HB 701 by Fischer and SB 1174 by Hutson) This legislation would have reformed 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 reduced the state CST rate from 4.92% to 4.9% and the noncharter county CST rate to 2% by January 1, 2022. The bills would have repealed the local option sales surtax conversion that is levied on communications services. \*\*While initially included in the tax package summarized above, we were able to work collectively to have this provision removed from the tax package as it passed in its final form.

Did not pass.

**Vacation Rentals:** (SB 1128 by Diaz and HB 1011 by Fischer) We continued to work closely throughout Session with the League of Cities to oppose this bill. Collectively, we were able to work with members to fight the many problems with this bill and have been successful in fighting this off for another Session.

As reported, the bill would have preempted 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.

We worked to demonstrate the many problems with a statewide preemption of local regulation. Throughout Session, met with leadership, sponsors, and members of the committees where the bills would be heard. We had members focused on issues such as discrimination, rentals by sexual predators and offenders, insurance concerns regarding homeowner's insurance which in most if not all cases, would not cover commercial rental property, licensing, inspections, and the issue of excess noise, trash, parking, safety. The House bill passed all of its committees but was not heard by the full House, and the Senate version passed two of three committees. We were able to stop it in the Rules committee, where it was scheduled but not heard.

Did not pass.

**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.

Did not pass.

**Sovereign Immunity:** (SB 1302 by 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.

Did not pass.

**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 the House, 71 – 47 but was not heard in the Senate. The Senate companion was not heard in its first committee.

Did not pass.

**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.

Did not pass.

**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 the full House 77 – 36, however, SB 1702 was not heard. These bills did not pass.

**Preemption of Recyclable and Polystyrene (Styrofoam) Materials:** HB 6043 by Grieco and SB 182 by Stewart) This bill would remove a prohibition of local laws relating to regulation of auxiliary containers, wrappings, & disposable plastic bags; repeals preemption of local laws relating to use or sale of polystyrene products to DACS.

Did not pass.

**Prohibition of Plastic Carryout Bags and Straws:** (SB 40 by Rader) Would prohibit a store or food service business from providing to a customer a carryout bag made of plastic film; prohibiting a food service business from selling or providing to a customer a single-use plastic straw.

Did not pass.

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