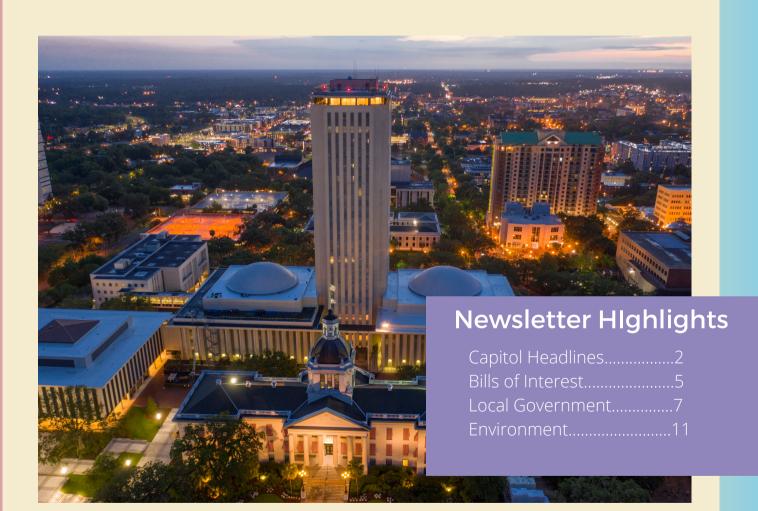


PBC LEGISLATIVE UPDATE

The latest updates from Tallahassee, Florida.



CAPITOL HEADLINES

Sunday is Day 55 of the Legislative Session - After the 55th day (April 25) of a regular Session, no House bills on the second reading may be taken up and considered by the House.

Budget Must Be Finalized Early this Week to Finish Session on Time

Because of a required cooling-off period, a completed draft of the budget must be finalized by Tuesday to be approved before the so-called Sine Die, ending the Session at the end of the week. While sticking points remain in budget negotiations, as of today, lawmakers seem poised to meet the deadline. The state budget is expected to be about \$100 billion, although the specific amount is still under negotiation.

Vaccine Passports Prevented by Bill Approved by House Panel

Businesses wouldn't be allowed to require "vaccine passports," or documentation of vaccination to decide whether to admit certain customers, under HB 7047 which was approved Monday 4/19 by the House Health and Human Services Committee. The language, added to a wide-ranging emergency management bill this week, puts the measure in line with the position of Gov. Ron DeSantis, who has rejected the idea that businesses should be allowed to determine which customers they serve as the state rides out the rest of the pandemic, and has already barred vaccine passports by executive order.

House Panel Approves Bill to Overturn Key West Cruise Ship Limit, Targets Only Key West

A House committee approved legislation (HB 267) on Monday to overturn a voter-approved law in Key West that prevents the largest cruise ships from docking locally, a law passed last year by local residents that backers said was aimed at reducing environmental damage. The House Commerce Committee on Monday 4/19 voted 17-5 to force Key West to rescind the law after changing the bill to apply only to the Monroe County city's port rather than all municipal ports in Florida.

DeSantis Signs Online Tax Legislation

Gov. Ron DeSantis on Monday signed SB 50, requiring online and other remote sellers to collect and remit Florida sales tax, bringing in about \$1 billion in previously uncollected revenue that will go to refill the state's depleted unemployment compensation fund, avoiding an otherwise expected large increase in unemployment taxes to businesses. The bill also calls for using additional revenue, once the unemployment fund is refilled, to provide a commercial rent tax break to businesses. DeSantis faced a Monday 4/19 deadline for signing, vetoing, or letting the online tax bill become law without his signature.

Reservoir Work South of the Lake Continues

Gov. DeSantis last week reached an agreement with the Army Corps of Engineers that will continue work on a key reservoir in Everglades restoration. Work on the long-stalled Everglades Agricultural Area reservoir in western Palm Beach County is to be shared between the state and federal governments.

Supreme Court Rejects Ballot Language on Recreational Marijuana

The Florida Supreme Court on Thursday declared a proposed amendment to legalize recreational marijuana "misleading," effectively ending the issue's chances of getting on the ballot in 2022.

CAPITOL HEADLINES

Public Notice

Legislation that would change requirements on publishing legal notices (SB 402) cleared its final Senate committee, and for the first time, language received support from the Florida Press Association. Dropping the demand government publish notices in a community newspaper of record has enjoyed House support for years. The companion legislation (HB 35) already passed in the House more than a month ago. Over the weekend Senators worked with the Florida Press Association and developed changes including a threshold for papers with less than 75% of revenue coming from advertising to be eligible for notices. SB 402 is placed on Second Reading.

Senate Panel Approves Bill Aimed at Deplatforming

Legislation requiring social media platforms to fully spell out exactly what would get someone banned from, or censored by, the platform narrowly survived a vote Monday in a Florida Senate committee. The measure (SB 7072) would still allow social media companies to deplatform people in Florida, but only after publishing the specific rules. They'd also have to explain to them why they were de-platformed. The full Senate will vote on this bill on Monday, 4/26.

Transgender Sports Bill Postponed, Appears Likely to Die for Year

A proposal seeking to prevent some male-to-female transgender students from playing girls or women's school sports in Florida looks unlikely to go any further in the Legislature after a key Senate committee postponed consideration of the bill on Tuesday. SB 2012 set out a matrix for determining whether transgender students can play based on testosterone levels when challenged about their gender. HB 1475 would determine whether male-to-female transgender students could play girls or women's sports based on testosterone levels, but also anatomy or genetic makeup has already passed the House.

Union Dues Deduction Measure Fails to Get Vote in Senate, Likely Ending its Chances

A proposal to end the automatic deduction of teacher's union dues appears to have dropped out of the legislative session. The Senate version of the bill (SB 1014) was temporarily postponed in the Senate Rules Committee. With 10 days remaining in the Session and no more regular committee meetings scheduled, that likely ends consideration of the measure.

Election Law Changes Readied for Final Senate Vote

The Senate's elections revamp (SB90) including new security rules for drop boxes and rules around interactions at ballot drop-off locations, is ready for a final vote after some additional bipartisan tweaks to the bill in amendments on Thursday. The measure still is opposed by Democrats, who say parts of it could make it harder for people to vote – in exchange for changes that aren't particularly needed after a successful 2020 election. But the bill's Republican sponsor, Sen. Baxley, rejected the notion. Over the course of the Session, the Sponsor has backed off what was initially a ban on drop boxes and now the bill includes security measures around drop boxes and limits on how many ballots people can carry to a dropbox for other voters. Sen. Baxley also on Thursday introduced an amendment, which was approved, that removed a previously-sought requirement that certain signatures have to be wet rather than electronic. The full Senate will vote on this measure on Monday 4/26.

CAPITOL HEADLINES

DeSantis Signs HB 1, 'Anti-Riot' Bill

Gov. Ron DeSantis on Monday signed legislation aimed at stiffening penalties for people who violently riot, loot and destroy property, a measure that deeply divided lawmakers, with opponents saying the law doubles-down on the heavy-handed treatment of marginalized people who demonstrated last year over police treatment of minorities. The bill also will provide a mechanism for potentially reversing decisions by local communities to cut police budgets, and provide penalties for the damaging of monuments, as well as allowing businesses damaged by looting to sue the local government for not preventing it.

Senate Unanimously Votes to Increase Unemployment Benefit, but Fate of Bill in House in Doubt

Out-of-work Floridians drawing unemployment could see a \$100 a week benefit increase under legislation (SB 1906) passed unanimously Thursday in the Senate that is a priority of Senate President Wilton Simpson, sending the measure to the House where its fate is far less certain. The increase would raise a jobless benefit that is meager by national standards and comes in the wake of the crush of unemployment claims that followed the shutdowns at the beginning of the COVID-19 pandemic that saw jobless rolls hit a half-century high in the state. The issue is in question in the GOP-led House, and Gov. Ron DeSantis has expressed opposition to an increase in the weekly maximum benefit, currently \$275. In addition to upping that to \$375, the legislation would also increase the eligibility period from 12 weeks to 14.

Vacation Rentals Bill Fails to Get Hearing in Senate Rules

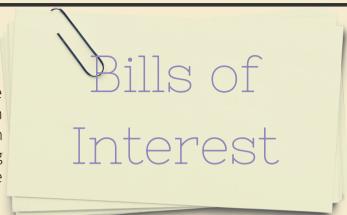
The Senate Rules committee ended its last regular meeting of the session Tuesday without taking up a bill (SB 522) that would limit the ability of local governments to regulate vacation-rental properties, such as those offered on platforms like Airbnb. The measure was temporarily postponed in the Senate Rules Committee last week, slating the proposal for failure this session. A similar House bill (HB 219) also had stalled, having failed to ever come up for a required hearing in the House Ways & Means Committee.

State Reaches Gaming Compact Deal with Tribe, Special Session Next Month to Consider

Gov. Ron DeSantis and the Seminole Tribe reached a deal Friday on a 30-year gaming compact. Senate President Wilton Simpson told the Senate in a memo that the agreement creates a \$2.5 billion revenue-sharing guarantee in the first five years, with \$6 billion in new revenue for Florida through 2030. As expected, the plan includes statewide online sports betting in partnership with the state's pari-mutuels. The House and Senate agreed to convene a Special Session the week of May 17 to consider ratification of the agreement.

SB 7068 / HB 7061 - Taxation

The House Ways & Means committee unveiled their tax package, clocking in around \$100 million total (\$50 million recurring) with about \$61 million coming from the state and the rest coming from the local level. HB 7061 includes:



- Sales Tax: Sales tax holidays, including the usual back-to-school and disaster preparedness.
- It also creates a 7-day "Freedom Week" recreation sales tax day holiday for admissions and supplies used to enjoy entertainment in and the natural beauty of Florida. It would allow businesses to offer tax holidays by absorbing their customers' sales tax.
- It provides a sales tax exemption for items used in independent living;
- Property Taxes: It increases from 50% to 100% a property tax discount for certain multifamily projects that provide affordable housing to low-income families; Requires tax collectors to accept late payments and removes penalties. It also provides an exemption for structures and equipment used for aquaculture production;
- Tourist Development & Convention Development Taxes: Allows local governments to use tourist development and convention development taxes for flood mitigation projects. It requires all new or increased tourist development and convention development taxes must be approved by voters at a referendum;
- Strong Families Tax Credit Program: Provides a corporate tax credit for donations to certain child welfare organizations, capped at \$5 million annually.

HB 7061 passed the House on Friday 109-3, and was in Messages to the Senate. We will work to keep the House's TDT language out of the Senate bill this week.

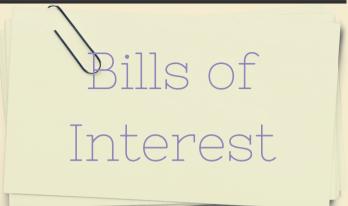
SB 102 / HB 1053 - Attorney General Designation of Matters of Great Governmental Concern

This bill would authorize the Attorney General to declare that a matter is one of great governmental concern and provide the Attorney General with the sole authority to file certain civil proceedings.

As reported before, the Attorney General was not happy with the Senate bill and Senator Burgess has been sympathetic to concerns from stakeholders. SB 102 was temporarily postponed in Senate Appropriations twice and never made it to Senate Rules, causing it to be temporarily postponed there as well. Neither committee is expected to meet again this Session. After relaying concerns to House Judiciary Chair Perez, HB 1053 was never heard in his committee and also remains stalled in the House.

SB 1294 / HB 663 - Cottage Food Operations

This bill would revise the regulations on cottage food operations and cottage food sales. The bills allow individual cottage food operations to sell, offer for sale, and accept payment for cottage food products as a business entity. The bills also allow cottage food products to be sold, offered for sale, and



paid for by mail order and permits cottage food products to be delivered by mail. The bill increases the permitting exemption for cottage food operations to maximum allowable gross sales of \$250,000, from the \$50,000 limit currently in statute.

HB 663 passed off the House floor in Week 5. SB 1294 passed Senate Rules early this week and will be on Special Order on Monday 4/26.

SB 1876 / HB 421 - Relief From Burdens on Real Property Rights

These bills intend to streamline and clarify the process for a property owner to bring a Bert Harris lawsuit in response to government actions taken on or after July 1, 2021. It allows the property owner to file suit from the time they must comply with the law or exaction rather than waiting for the government to provide notice of the exaction. It reduces the time of notice to 90 days from 150 days before filing suit and provides for attorneys' fees for the property owner from the time of notice, rather than suit if they are the prevailing party. For example, the bill provides a mechanism to seek clarification from the local government if a new law would directly impact their property, including prior to the law's adoption, potentially avoiding the suit altogether. It allows the property owner to "save both parties time and money" by electing to forego a jury trial and elect, instead, to have the damages determined by the judge. It also provides an assumption that settlements are in the public interest.

The House passed HB 421 90-29 on Wednesday, 4/21; SB 1876 passed the full Senate 34-6 on Monday, 4/26.

<u>SB 1128 / HB 919 - Preemption Over Restrictions of Utility Services</u>

These bills would block local governments from restricting or prohibiting the types of fuel sources of energy production that may be supplied, converted, or delivered by providers of electricity, natural gas, and liquified petroleum gas. All actions with this effect passed by July 1, 2021, would be voided. The language reflects a compromise with the local government. The committee adopted an amendment that provided the



bill not alter the jurisdiction of the PSC over electric utilities. It does not prevent cities from implementing clean energy plans that need to pursue clean energy but needed to ensure they do not eliminate a type of fuel source.

HB 919 was passed on Wednesday in the House (81-34). On Thursday it was substituted for SB 1128 and passed the Senate on Monday 4/26.

SB 1884 / HB 1409 - Preemption of Firearms and Ammunition Regulation

The state has a preemption law on the books that prohibits local governments from imposing restrictions on the purchase or use of firearms. The bill makes clear that the ordinance, rule, directive, or policy does not have to be in writing to violate the preemption. The bill clarifies that the plaintiff prevails even if the local government changes the ordinance after the filing of a suit. Opponents question why there needs to be an immediate summary judgment if the ultimate goal is to remediate the unlawful policy or ordinance. Supporters argued the bill brings clarity to the statute so citizens are clear regarding their rights and the attorneys' fee provision only applies in cases where constitutional rights have been violated. They stated that the punitive provisions of the underlying preemption were because local officials were being advised they could ignore the preemption. The Senate sponsor specifically cited as an example the Palm Beach County Sheriff's Office not returning lawfully owned firearms. The House sponsor stated that a court found on March 24th, 2021, that Broward County violated the preemption by treating the regulation of "guns" as preempted but not regulation of "firearms."

SB 1884 passed the Senate 24-16 on Monday 4/26; HB 1409 is on Second Reading in the House.

SB 1382 / HB 667 - Building Inspections

This legislation would require local governments to provide an electronic method to request building inspections and allows local code enforcement to conduct virtual inspections at their discretion (unless it is structural.) The bill also requires that code enforcement refund 10% of the permit fee if they find the inspection fails but do not provide a reason for the failure to the permit holder within three business days. Surcharges would then be updated to reflect the refund. HB 667 passed the full House on Wednesday, 118-0, and SB 1382 is on the Special Order Calendar for Monday, 4/26.

<u>SB 856 / HB 839 - Express Preemption</u> <u>on Fuel Retailers and Related</u> <u>Transportation Infrastructure</u>

The bill prevents local governments from prohibiting- but not from regulating - the siting, development, or redevelopment of "fuel retailers" and associated infrastructure within their jurisdictional boundaries. It would also prevent local governments from mandating specific infrastructure on fuel



retailers, such as EV charging stations. Originally, the bill would have impacted land use and zoning regulations and day-to-day county and municipal regulation of broadly defined infrastructure.

On Wednesday, the House passed HB 839 (79-38). SB 856 was passed (11-5) in the Senate Rules Committee on Tuesday 4/20. On Thursday, it was substituted by HB 839 in the Senate. HB 839 was passed 26-12 on Monday 4/26.

SB 266 / HB 403 - Home-Based Businesses

The bill would preempt local ordinances on home-based businesses. Under the amended Senate bill, a home-based business must abide by the following:

- It must be secondary to the residential use of the property and be limited to up to 2 employees that reside outside of the home;
- The exterior cannot be modified to detract from the residential appearance;
- The business cannot use any equipment that creates noise, vibration, heat, smoke, dust, glare, fumes, or odors that are plainly detectable from the street or neighboring properties;
- It cannot generate traffic or need for parking greater than what would normally be expected by a similar residence:
- It must park vehicles or trailers in a legal space not blocking sidewalks or the right-of-way.
- It cannot conduct business transactions in view of the street; and
- It must comply with all regulations on storing hazardous or combustible material.

Further, the amended bill gives local authority on parking, storage of heavy vehicles, exterior signage and storage, hours of operation before 9 am and after 6 pm, and business activities outside of the home. It also allows local governments to impose a business tax and noise-ordinance specific to home-based businesses.

The House bill has fewer restrictions and allows adversely affected home-based businesses to challenge local government actions. The House bill was passed 78-38 on Wednesday and is expected to be taken up in the Senate this week, although it is not yet on an agenda.

SB 60 / HB 883 - County & Municipal Code Inspections

The bill prohibits local government code inspectors from conducting inspections based upon anonymous complaints and requires those making a complaint to provide their name and address before an inspection can begin. The bill would also allow immediate inspections in cases of an imminent threat to



public health, safety, or welfare or in cases of imminent destruction to habitat or sensitive resources. The House previously advanced HB 883 after adopting an amendment to align with the Senate that would allow for anonymous complaints if the individual attests that they fear retaliation or face legal jeopardy if their identity is known.

SB 60 previously passed the full Senate 27-11. HB 883 is on Second Reading in the House.

SB 750 / HB 337 - Impact Fees

The bill defines "infrastructure" and "public facilities;" limits impact fee increases imposed by a local government, school district, or fire control district; and requires the local governments and districts to submit an affidavit to the CFO attesting that impact fees were collected and expended in compliance with state law. The original bill capped increases at 3% annually and limited collection of fees to only when capital improvements had been funded or planned in the assessment district at the time of fee payment. The current bill:

- * Caps the number of times an impact fee can be increased to only once every 4 years
- * Caps on increases of 50% of the current fee

The bill also requires local governments to provide a credit against any impact fees for any contributions made to public facilities. "Infrastructure" is defined as fixed capital costs associated with the construction, reconstruction, or improvement of public facilities with a life expectancy of 5 years. It excludes maintenance and repairs. It includes associated land acquisition, design, engineering, and permitting, and any other construction costs needed to bring the building into service. "Public facilities" are defined as emergency, fire, and law enforcement facilities in addition to those defined in F.S. 163.3164. The definition of "infrastructure" also includes law enforcement, EMS, and fire department vehicles, as well as school busses and equipment to outfit them. Both bills were also amended to provide retroactivity to the provision of the credit. The Senate bill was also amended to "authorize" but not mandate school boards and local governments implementing an increase based on an existing study to do so in four equal segments over four years.

On Thursday, the Senate took up HB 337, which was passed by the House 94-23 on Wednesday, and passed it 28-12 on Monday 4/26.

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SB 268 / HB 735 - Preemption of Local Occupational Licensing

These bills expressly preempt the licensing of occupations to the state and supersede any local government licensing of occupations, with the exception of those authorized by general law or already imposed before January 1, 2021. The exception would expire July 1, 2023 and those requirements in place by the deadline would be limited from being increased or modified.



Specific industries that could not be required for local licensure include painting, flooring, cabinetry, interior remodeling, driveway installation, handyman services, decorate stone installation, plastering, stuccoing, caulking, etc. Local governments could still issue journeyman licenses.

SB 268 is scheduled for Special Order in the Senate on Monday 4/26. Multiple amendments have been filed to both the Senate bill and the House bill, as each Senator attempts to take care of concerns being heard by municipalities, including those which we have raised on behalf of Palm Beach County. We are hopeful that with the help of the Senate, the bill will become bogged down and stall for the Session.

<u>SB 1208 / HB 387 - Improvements to</u> <u>Real Property</u>

This bill differs from its Senate version in that it does not greatly expand the number of home projects that can be covered by Property Assessed Clean Energy (PACE) financing. The bill includes residential consumer protection provisions designed to ensure the fairness of PACE financing agreements and avoid defaults. Lastly, the



bill provides guidelines and requirements PACE administrators must enforce when enrolling and overseeing contractors in the program.

On Monday, HB 387 was passed (18-5) in its last committee of reference, Commerce. The bill is on second reading.

SB 88 / HB 1601 - Farming Operations

This bill amends the Right to Farm Act adding "agritourism" and the generation of "particle emissions" to the statutory definition of "farm operations" covered by the Act. Specifically, the bill raises the burden of proof for civil nuisance claims against agriculture operators to one of clear and convincing evidence. The bill also prohibits nuisance actions from being filed against farm operations unless specified conditions are met. To recover punitive damages, the alleged nuisance must substantially be the same conduct that was subject to a civil enforcement judgment or criminal conviction (regardless of who brought it) within the past 3 years prior to the first action.

On Wednesday, the House substituted CS/CS/HB 1601 with E1/SB 88 which had already passed the Senate. The bill was passed out of the House the next day (110-7).

SB 1186 / HB 1379 - Property Assessments for Elevated Properties

The bill provides that the elevation or rebuilding of a residential property to bring it into compliance with the requirements of the National Flood Insurance Program and the Florida Building Code shall not increase the property's assessed value for tax purposes under certain circumstances. The limitation on assessed value does not apply to properties deemed uninhabitable, that have outstanding taxes or liens, or if the elevation changes the properties' classifications.

The bill goes into effect upon approval of HJR 1377 or another similar constitutional measure via a referendum, either on November 2, 2022, or at a sooner date should a special election be held and applies retroactively to all properties destroyed by Hurricane Michael.

On Wednesday 4/21, the House passed HB 1379 (118-0). SB 1186 was passed the same day in Senate Appropriations (20-0), with a delete-all amendment that made conforming changes. The House bill is in Messages while SB 1186 is on the Senate Special Order Calendar for Monday 4/26.



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