

## MEMORANDUM

**TO:** NAIOP  
**FROM:** GrayRobinson  
**DATE:** January 21, 2018  
**SUBJECT:** 2018 Legislative Session – Week 2 Summary

---

Since Hurricanes Irma and Maria wreaked havoc on both Florida and neighboring Puerto Rico, the discussion in Tallahassee has focused on how the State of Florida should address the fallout and prepare for the next big storm. After months of meetings, the House Select Committee on Hurricane Response and Preparedness debuted the second week of the 2018 Legislative Session with 78 recommendations addressing the aftermath and the state's need to prepare for future storms.

The proposals, consolidated from more than 90 suggestions, address health care facilities, agriculture, housing, flooding, debris removal and education. They will be turned into House bills for legislative consideration.

While neither chamber met on the floor this week, House and Senate committees dealt with dozens of pieces of legislation. Both chambers considered hundreds of spending projects, each inching closer to crafting its own budget.

The House is scheduled to convene on the floor Wednesday and Thursday next week. The Senate is scheduled to meet Wednesday.

Below are issues related to our work for you and other hot topics addressed during the week.

### **Activities and Bills related to NAIOP**

#### **Permit Reform**

Update: This workshop will be final by Monday's 4:30 pm deadline. Please consider providing testimony as a representative of NAIOP to help raise the organization's profile. A version of Georgia's FAST Act (regarding Permit and Inspection Reform) is the basis for the workshop in

January 21, 2018  
Page 2

the House Local, Federal & Veterans Affairs Subcommittee. The Committee chair has requested NAIOP representatives front and center to talk about the opportunities and challenges in the commercial development world. This committee meeting will take place during NAIOP days on Wednesday, January 24, 8am – 11am. This is a great opportunity for NAIOP to raise its profile in Tallahassee.

### **Bills of Interest**

Community Redevelopment Agencies – SB 432 (Lee) - Representative Raburn filed similar legislation in the House (HB 0017). The bill, among other things, creates scenarios by which CRAs are eliminated creates transparency and lobbying regulations to apply to all CRAs. A similar bill passed the House during the 2017 Legislative Session, but fell short in Senate. The Senate bill has four committee references. The House bill is a Speaker priority and has just one committee stop: Government Accountability.

**UPDATE:** The Senate bill is still waiting on a hearing in Appropriations Subcommittee on Transportation, Tourism and Economic Development. The House passed it on the floor by a vote of 72-32.

Tax on Commercial Real Property – HB 409 (Ahern) – This bill would exempt from sales tax the first \$10,000 of total rent in year 2019, the first \$20,000 in year 2020, and continues up to \$90,000 in 2027. This is the same “stair step” approach that Representative Ahern has proposed in previous sessions. The bill has two references: Ways & Means and Appropriations Committee. The Senate companion is SB 902 by Keith Perry and has three references: Community Affairs, Appropriations Subcommittee on Finance and Tax, and Appropriations.

Economic Development and Tourism Promotion Accountability – HB 3 (Grant (M)) – This bill would provide transparency and accountability requirements for local tourism and economic development organizations, similar to those adopted for Visit Florida and Enterprise Florida during the 2017 Special Session A. **Update:** The bill is scheduled for Wednesday’s special order calendar on House Floor. The Senate version (432) is awaiting a hearing in Commerce & Tourism.

Florida Building Commission – HB 299 (McClain) – This bill would revise the membership of the Florida Building Commission (from 27 to 11) and qualifications thereof (changes for architects and electrical contractor members). Specifically, the bill removes members representing the following:

- Air-conditioning or mechanical contractors;
- Two of the municipal or district code enforcement officials, including a fire marshall;
- The Department of Financial Services;
- County code enforcement officials;
- The representative for persons with disabilities;

January 21, 2018

Page 3

- Manufactured buildings industry;
- Mechanical or electrical engineers;
- Municipal or charter counties;
- Building products manufacturing industry;
- Commercial building owners and managers industry;
- Public education;
- The green building industry;
- The natural gas distribution system; and
- The Department of Agriculture and Consumer Services' Office of Energy.

The bill also amends:

- The qualifications of the architect member from an architect who is “registered and actively practicing in the state” to an architect who is “licensed in the state and has at least 5 years of experience in the design and construction of buildings containing Group R occupancy(ies) at or above 210 feet above the lowest level of emergency service access.” A Group R Occupancy is any building containing sleeping units either for permanent dwellings or transient occupancy; and
- The qualifications for the electrical contractor member from an electrical contractor to an electrical contractor “or an electrical engineer.”

**UPDATE:** The House bill is awaiting a hearing in the Commerce Committee. There is still no Senate companion.

Business Rent Tax – SB 60 (Hukill) and HB 939 (Toledo) – 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. **UPDATE:** Neither the House or Senate bill has moved.

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 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 has three committee references: Community Affairs, Environmental Preservation and Conservation, and Rules.

January 21, 2018  
Page 4

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. Representative Mike Miller filed the House companion to this bill (HB 697). It has three references: Local, Federal & Veteran Affairs Subcommittee; Ways & Means Committee; and Government Accountability Committee. **UPDATE:** The Ways & Means Committee passed the bill on Wednesday by a vote of 15-1. Its next stop is Government Accountability Committee.

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. **UPDATE:** This bill has not yet moved.

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. **UPDATE:** This bill has not yet moved.

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. **UPDATE:** The Senate Agriculture Committee is awaiting a hearing in Governmental Oversight and Accountability. The House bill has not yet moved.

## **Summary of Week 2**

### **Florida House Activities: End of the Revolving Door? Payday Loans?**

Speaker Corcoran is pushing for a six-year lobbying ban for legislators and statewide elected officers, a provision included in Democratic Senator Darryl Rouson’s Proposal 19, which also awaits consideration from the Constitution Revision Commission’s (CRC) Ethics and Elections Committee. Rouson, a former House member, is a Corcoran-appointee to the Commission.

January 21, 2018  
Page 5

A House panel on Tuesday advanced a bill that would regulate the short-term lending industry. HB 857, sponsored by Republican Representative James Grant and Democratic Representative Janet Cruz, would prohibit consumers from borrowing or holding an outstanding balance exceeding \$1,000.

The bill also caps interest rates at no more than eight percent of the borrower's outstanding balance. The companion bill, SB 920, has one more committee stop before heading to the floor.

### **Florida Senate: Greyhounds, Gambling and Medical Marijuana Growers**

The Senate advanced a bill prohibiting steroid use in racing greyhounds. That bill, SB 674, cleared the Senate Regulated Industries Committee in a 7-2 vote last Wednesday. Its next stop is the Agriculture Committee.

Senate Regulated Industries also cleared SB 840, this year's omnibus gaming bill. It would lower taxes on slots from 35 percent to 25 percent over two years, protect fantasy sports from regulation, expressly legalize designated-player card games and allow greyhound tracks to stop live racing but still offer card games. The bill's next stop is the Appropriations Subcommittee on Finance and Tax.

A Senate bill addressing a hurdle in the 'black farmer clause' of the state's medical marijuana licensing law advanced in the chamber. SB 1134, sponsored by Senator Rouson, would remove part of a Florida law requiring black farmers to belong to the Florida Chapter of the Black Farmers and Agriculturalists Association to be eligible for a medical marijuana license. It unanimously cleared the Senate Health Committee and now heads to Appropriations.

### **Constitution Revision Commission (and Petitions)**

A CRC committee on Friday approved an amendment expanding victims' rights. Proposal 96, sponsored by Commissioner Tim Cerio, would amend the state constitution to extend certain rights — known collectively as "Marsy's Law" — to Florida crime victims. The proposal cleared the Declaration of Rights Committee and awaits a full Commission vote.

The Declaration of Rights Committee also advanced a proposal guaranteeing rights to nursing homes and assisted living facilities. Proposal 88, sponsored by Commissioner Brecht Heuchan, would protect residents from "extreme climatic conditions and natural disasters," among other things. The proposed amendment now heads to a full Commission vote.

Also during this past week, a citizen petition effort to propose a constitutional amendment on gambling garnered enough signatures for the 2018 ballot. The Voter Control of Gambling in Florida obtained more than the required 766,200 signatures and will be on the November ballot.

January 21, 2018  
Page 6

If approved, the amendment would require any future gambling expansions to be approved by voters.

### **House Select Committee on Hurricane Preparedness Recommendations**

A state House panel put together to look at improving hurricane response following Hurricane Irma unanimously approved its final report Tuesday.

That report features 78 recommendations, covering nine categories. The categories, along with some of the most significant recommendations, include:

#### Evacuations

1. Extend the Suncoast Parkway to the Georgia state line to provide another north-south evacuation option.
2. Have the Department of Transportation conduct exercises to see if all highway lanes could be opened to evacuating traffic.
3. Develop a real-time, web-based evacuation resource tool so Floridians can find the best evacuation route for them.

#### Energy

1. Establish emergency gas distribution centers around the state.
2. Authorize gas stations to sell high-octane gas at the same price as lower octane when the station runs out of its low-octane fuel.
3. Direct the Public Service Commission to study the costs and efficacy of all storm-hardening projects for the state's power grid.

#### Shelters

1. Overhaul special-need shelters by creating a statewide special-needs shelter registration, requiring hospitals to take in people denied shelter entry due to medical reasons, and requiring each county and local health department to develop a staffing plan for the hurricane season on an annual basis.
2. Provide more state assistance with shelter management training at the local level.

January 21, 2018  
Page 7

3. Provide matching funds necessary to draw a 75 percent match in federal funds through a Victims of Crime Act grant to install generators at Florida's 42 certified domestic violence centers.

#### Health care facilities

1. Require nursing homes to have generators that can power air conditioning.
2. Exempt generators bought by nursing homes from sales tax, up to \$30,000.
3. Change facilities' required emergency plans to include storm hardening and contact information, plus set out who is responsible for all pre-storm precautions taken.

#### Agriculture

1. Get federal disaster relief assistance for the citrus industry.
2. Consider long-term sales-tax and other tax exemptions for the agriculture industry.

#### Future hurricane expenditures

1. Create a hurricane reserve fund to pay expenses of future hurricanes.
2. Create a sales tax holiday for disaster preparedness items like generators.
3. Lower property taxes for homestead properties made uninhabitable by hurricanes Matthew, Hermine and Irma.

#### Housing

1. Use money from affordable housing trust funds to provide funding for affordable housing in areas affected by hurricanes Irma and Maria.
2. Consider ways to lower the cost of affordable housing development.
3. Provide incentives for communities to purchase and redevelop trailer parks destroyed in a storm into affordable housing that meets current building codes.

#### Flooding and debris removal

1. Identify areas where rebuilding after a disaster may be high-risk and consider options for not rebuilding in those areas, including the purchase of these properties and using them to create additional open space and natural buffers.

January 21, 2018  
Page 8

2. Invest in plans that cost effectively mitigate flood risks to developed areas.
3. Consider long-range plans to move water and sewer treatment plants out of flood plains or have them refitted to prevent damage during a flood.

### Education

1. Providing financial assistance to schools systems for the purchase of generators for schools that serve as shelters.
2. Provide additional funding to school districts that saw an increase in students because of Hurricane Maria.

Those, along with 53 other recommendations, must now be crafted into bills in the House, although there may not be comparable bills in the Senate.

### **Visit Florida Releases Economic Impact Numbers**

On Wednesday, Visit Florida released new figures on the economic impact of visitors to Florida. In 2016, out-of-state visitor spending in Florida reached a record \$112 billion, an increase of 2.7 percent over the previous year. Visitors generated \$88 billion, or roughly 10 percent, of Florida's total Gross Domestic Product (GDP), up 4.2 percent over 2015, and visitors generated \$11.6 billion in state and local taxes, up 3.3 percent, as reported in a press release.

Lodging represented the largest visitor spending sector at \$31.8 billion, an increase of 3.3 percent over 2015. Visitor spending growth in the food & beverage sector accounted for \$23 billion, growing 4.2 percent, and visitors spent more than \$16 billion in recreational activities, accounting for a 3.6 percent increase.

The study continued to show visitor spending supporting 1.4 million Florida jobs, with an associated income of \$53 billion. These jobs represent 17.1 percent of total employment, supporting one out of every six jobs in the state

### **Appropriation Project Bills Update**

House Rules & Policy Committee released their recommended GAA & Related Bills Special Amendment Deadlines & Procedures. The House has not yet officially adopted them. House hosts budget negotiations for the 2018 session. This proposed timeline has a final House budget being passed and set up for conference with the Senate by February 7-8.

Of the 1314 House appropriations project bills that have been filed, totaling \$2,275,675,262 in funds requested, a total of 350 bills have met the minimum requirements, favorable report in subcommittee, for inclusion in the House's proposed Budget.

January 21, 2018  
Page 9

### **Preview of Week 3 (January 22-26)**

#### **House and Senate Set for Floor Sessions**

Both the House and Senate are set for floor sessions this Wednesday and Thursday. The following bills are set for consideration in the House (Senate schedule still pending):

<b>Bill</b>	<b>Topic</b>	<b>Sponsor</b>
<a href="#"><u>HB 7001</u></a>	Supermajority Vote for State Taxes or Fees	<a href="#"><u>Ways &amp; Means Committee</u></a>
<a href="#"><u>HB 0185</u></a>	Redirection of Fees to Tax Collectors	<a href="#"><u>Mariano</u></a>
<a href="#"><u>HB 0027</u></a>	Certificates of Need for Hospitals	<a href="#"><u>Fitzenhagen</u></a>
<a href="#"><u>HB 0037</u></a>	Direct Primary Care Agreements	<a href="#"><u>Burgess</u></a>
<a href="#"><u>HB 0517</u></a>	State Employees' Prescription Drug Program	<a href="#"><u>Magar</u></a>
<a href="#"><u>HB 0057</u></a>	Appointment of Attorneys for Dependent Children with Special...	<a href="#"><u>White</u></a>
<a href="#"><u>HB 6021</u></a>	Guardian Ad Litem Direct-Support Organization	<a href="#"><u>Stevenson</u></a>
<a href="#"><u>HB 0003</u></a>	Economic Development and Tourism Promotion Accountability	<a href="#"><u>Grant (M)</u></a>
<a href="#"><u>HB 0623</u></a>	Out-of-Country Foreign Money Judgments	<a href="#"><u>Byrd</u></a>
<a href="#"><u>HB 0147</u></a>	Status of Puerto Rico	<a href="#"><u>Cortes (B)</u></a>
<a href="#"><u>HB 0359</u></a>	State Investments	<a href="#"><u>Nunez</u></a>
<a href="#"><u>HB 0455</u></a>	Governance of Banks and Trust Companies	<a href="#"><u>McClain</u></a>
<a href="#"><u>HB 0413</u></a>	Trusts	<a href="#"><u>Moraitis</u></a>
<a href="#"><u>HB 0193</u></a>	Mortgage Brokering	<a href="#"><u>Stark</u></a>
<a href="#"><u>HB 0405</u></a>	Linear Facilities	<a href="#"><u>Williamson</u></a>
<a href="#"><u>HB 0329</u></a>	Motor Vehicle Insurance Coverage Exclusions	<a href="#"><u>Ponder</u></a>
<a href="#"><u>HB 0215</u></a>	Autocycles	<a href="#"><u>Payne</u></a>
<a href="#"><u>HB 7011</u></a>	OGSR/School Food and Nutrition Service Program	<a href="#"><u>Oversight, Transparency &amp; Administration Subcommittee</u></a>

January 21, 2018  
Page 10

<a href="#">HB 7013</a>	OGSR/False Claims	<a href="#">Oversight, Transparency &amp; Administration Subcommittee</a>
<a href="#">HB 0273</a>	Public Records	<a href="#">Rodrigues (R)</a>
<a href="#">HB 0053</a>	Coral Reefs	<a href="#">Jacobs</a>
<a href="#">HB 0025</a>	Labor Organizations	<a href="#">Plakon</a>
<a href="#">HB 0067</a>	Florida Slavery Memorial	<a href="#">McGhee</a>

### **Building Permit and Inspection Fees Under Microscope**

On Tuesday, the House Careers and Competition subcommittee will take up a measure, HB 725 (Williamson) that will require governing bodies of a county and municipality to post its permit and inspection fee schedules and link to annual building permit and inspection utilization report on its website.

### **House Addressing Opioids**

Florida's worsening opioid crisis is continuing to move in the House. The House Appropriations Committee will hear HB 21, which requires physicians to prescribe only a three-day supply of opioid-based medications, which can be increased to seven days cases of acute pain. All opioid prescriptions of more than three days would be marked "medically necessary," and doctors would be required to take additional training for dispensing potentially addictive medicines. In the Senate, SB 8, which is nearly identical to HB 21, is set for its penultimate committee reference, Appropriations, on Wednesday.

### **Other Bills on the Week's Agenda**

— On Monday, the House Ways and Means Committee will discuss various tax reduction concepts in preparation of a tax package.

— On Tuesday, the House Agriculture & Property Rights Subcommittee will hear HB 1151 by Representative Mike La Rosa. This bill repeals, creates and revises provisions for statewide guidelines, standards and requirements for developments of regional impact. The main repeal is section 380.065, regarding Certification of local government review of development. In addition, the bill exempts the following from DRI provisions of section 380.06: hospital, electric transmission line, addition to an existing sports facility, expansion to port harbors consistent with port master plans, facilities for the storage of petroleum product, redevelopment or renovation within the same parcel as existing development, waterport and marina development,

January 21, 2018  
Page 11

development within rural land stewardship area, military installation, self-storage warehousing that does not allow retail or other, nursing home or assisted living facility, development in airport master plan, and any development in an energy economic zone.

— Also on Tuesday, the House Transportation & Infrastructure Subcommittee will take up HB 1359 by Representative Jamie Grant, dealing with License Plates. Among other changes to the license plate laws, this bill notably does two things: (1) allows for an Auburn University license plate, and (2) stamps “National Champions” on the University of Central Florida specialty plate. If passed, it has two more committee stops in the House.

— Finally, on Tuesday, the Senate Appropriations Subcommittee on Transportation, Tourism, and Economic Development takes up SB 90 by Keith Perry which makes “texting while driving” a primary offense. This is the third of four committee stops. The House bill has become a priority of Speaker Corcoran.

— On Wednesday, the Senate Appropriations Committee will take up President Negron’s priority legislation to revamp the State College System. Senate Bill 540 by Hukill, proposes to require each community college (renames them from state colleges) and state university to execute a 2+2 targeted pathway agreement and states that the community colleges’ role in awarding of baccalaureate degrees is a second, not primary.