

## MEMORANDUM

**TO:** NAIOP  
**FROM:** GrayRobinson  
**DATE:** March 4, 2018  
**SUBJECT:** 2018 Legislative Session – Week 8 Summary

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Friday marked the end of the last full week of committee meetings for the 2018 Legislative Session, and lawmakers appear confident that they will return to their districts following next Friday's planned Sine Die finish of the 60-day lawmaking process.

Legislators began meeting in Senate and House budget conferences last Monday, shifting appropriations in their respective budgets to unify the Legislature's spending plan.

As the week closed, funding discrepancies persisted between each chamber, but budget leaders Rep. Carlos Trujillo and Sen. Rob Bradley seem confident that conflicts will be ironed out—whether that be between them this weekend, or between Senate President Joe Negron and House Speaker Richard Corcoran, when issues are 'bumped' to the leaders on Sunday morning.

There are other factors that point to a timely end of Session. Both Corcoran and Negron have seen some of their major priorities supported across chambers.

Looking ahead, lawmakers face a budget deadline of Tuesday before a 72-hour 'cooling off' period, allowing them to vote on the budget on Friday's Sine Die, when the sergeants-at-arms of both chambers ceremonially drop white handkerchiefs to mark the precise moment of Session's end.

### **Parkland**

Arguably the most difficult task ahead for lawmakers will be to pass legislation addressing reforms in the wake of the Feb. 14 Parkland shooting. The tragedy gave lawmakers a little more than two weeks to draft gun, mental health and school safety proposals and expedite them through committees.

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The Legislature's proposals appropriate significant amounts to mental health and school safety programs and include arming teachers. The Florida Senate spent hours debating a bill (SB 7026) to increase school safety and restrict gun purchases in a rare Saturday session in the aftermath of last month's Parkland school shootings, reports The Associated Press.

The Senate spent nearly eight hours debating dozens of amendments to the 100-page bill before finally approving the legislation for a final vote on Monday. Democratic proposals to ban assault rifles and large-capacity magazines were rejected, as was a Democratic proposal to strip language from the bill that would create a program to arm teachers who have gone through law-enforcement training if school districts choose to take part in the so-called "marshal plan." The bill also includes provisions to boost school security, establish new mental health programs in schools, and improve communication between schools, law enforcement and state agencies. The House temporarily postponed its legislation (HB 7101) on second reading during its Friday session. It is unclear how the House will proceed, given that no House bills may be taken up on second reading after Day 55 (March 4). The House can waive its rules and take up the bill on Monday or Tuesday, or can opt to take up the Senate version that is sent over on Monday and amend that. In any event, the House is destined for a marathon floor session similar to the one the Senate endured on Saturday.

Further complicating things, Gov. Rick Scott has told legislators that he does not want teachers to be armed, indicating a potential conflict, as Scott could wield his veto power on the measure post-Session.

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

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

#### **Business Rent Tax Reduction in House Tax Package**

The House tax package (HB 7087) was heard on the House floor and took on a few amendments dealing with the aviation fuel tax. The .3% reduction in the business rent tax remained intact. In the Senate, the Disaster Recovery bill was amended to add a .1% reduction in the business rent tax. Both of these pieces of legislation will be negotiated during the final week of session, but it would appear that there will be another reduction in the business rent tax. We will keep you posted as to how this package finally passes.

#### **Developments of Regional Impact – HB 1151 (La Rosa) and SB 1244 (Lee) –**

Developments of Regional Impact (DRIs) are defined as “any development which, because of its character, magnitude, or location, would have a substantial effect on the health, safety, or welfare of citizens of more than one county.” Given their size, DRIs are subject to a special review

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process and often require an amendment to a comprehensive plan. The DRI program was initially created in 1972 as an interim program intended to be replaced by comprehensive planning and permitting programs.

The bill eliminates state and regional review of existing Developments of Regional Impact (DRIs), eliminates the Florida Quality Development (FQD) program, and transfers the responsibility for implementation of, and amendments to, DRI and FQD development orders to the local governments in which the developments are located.

The bill preserves existing DRI letters, development orders, agreements, and vested rights.

The bill transfers the DRI exemptions and partial exemptions currently found in s. 380.06, F.S., to s. 380.0651, F.S., which contains the statewide guidelines and standards for determining whether a proposed development is a DRI-sized development subject to state coordinated review.

The bill deletes the criteria for determining when two or more developments must be “aggregated” and treated as a single development for the purposes of DRI review and deletes the substantial deviation criteria for development order changes.

The bill ends all DRI appeals to the Florida Land and Water Adjudicatory Commission except for decisions by local governments to abandon an approved DRI. However, no changes are made regarding the authority of the Commission to review development orders in areas of critical state concern.

The bill repeals the Department of Economic Opportunity’s DRI and FQD rules in Chapter 73C-40, F.A.C., and Administration Commission rules related to DRI aggregation.

**UPDATE:** The House passed this on the floor 110-1. The Senate Appropriations Committee passed this on February 27 17-0 and later in the week the Rules Committee voted 12-0 in favor of the bill. It is now waiting for a hearing on the floor.

Local Government – HB 883 (Ingoglia) – Senate Perry has the Senate companion. This bill was a bill aimed at reforming community development districts. Based on an amendment adopted in its last committee, it now includes the CRA legislation (SB 432), the DRI legislation (HB 1151) and a rural area boundary revision. **UPDATE:** The bill is set for third reading on Monday, March 5. The Senate companion has passed all of its committees and is now waiting for a hearing on the Senate floor.

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

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CRAAs are eliminated creates transparency and lobbying regulations to apply to all CRAAs. 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 on January 12 by a vote of 72-32. **NOTE:** This bill is now included in HB 883 via amendment.

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 House took up and passed its bill by a vote of 87-20 on January 25. The Senate Bill is awaiting a hearing in Appropriations Subcommittee on Transportation, Tourism and Economic Development Committee.

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;
- 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.

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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:** The House tax package includes a reduction from 5.8 to 5.5%.

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.

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 Senate Appropriations Committee passed this 19-1 on Tuesday, February 27. It is now awaiting a floor hearing. The House passed this bill 108-5 on Thursday, March 1. It is now in Senate messages.

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Permit Fees - HB 725 (Williamson) and SB 1144 (Perry) – The bill requires certain counties & governing bodies of municipalities to post their permit & inspection fee schedules & inspection utilization reports on their websites; requires certain governing bodies of local governments to post their building permit & inspection utilization reports on their websites by specified date; and provides reporting requirements for the same. **UPDATE:** The House passed this bill 113-0 on Wednesday, February 14. The Senate Appropriations Committee voted 19-0 on Tuesday, February 27. This bill is now reading for the floor.

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 bill is awaiting a hearing in its final committee Rules. The House bill has not yet moved and likely will not.

## **Summary of Week 8**

### **Week 8 Stats**

In total, the week had 13 committees meeting (down from 27 which is natural as session comes to a close) to see 207 individual bills, and 439 amendments were filed (definitely a sign of the end of session as legislators and lobbyists scramble to find vehicles for their issues). Also this week, 21 general bills passed both chambers and can be sent to the governor.

There is one week remaining in the 2018 legislative session, scheduled to end on March 9, 2018.

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See the full breakdown of the weekly stats below:

- Amendments Filed: 439
- Bills with Actions: 1,474
- Texts Filed: 142
- Committee Meetings: 13
- Bills Seen in Committee: 207
- Floor Sessions: 8

### **Bills Are Stalling/Dying**

The last full week of legislative meetings also sealed the fate of other proposals that did not receive enough support to pass through the Legislature this year.

A Senate insurance plan that seeks to repeal the state's \$10,000 personal-injury protection, or PIP, mandate was postponed in the Senate, and likely will not be heard in a different panel before the end of Session.

Legislation making texting while driving a primary offense, meaning law enforcement can use the infraction as a justification to pull someone over for texting, has stalled in the Senate—despite the House approving the bill (HB 33) almost unanimously.

Another bill (SB 1400) that would preempt to the state the local regulation of vacation rental properties has halted in the chamber. The bill sponsor, Sen. Greg Steube, believes the measure is dead this year.

### **Waiting for a Vote**

High-profile legislation (HB 227 and SB 376) that would extend workers' compensation benefits to first responders who suffer from post-traumatic stress disorder awaits floor approval in both chambers.

The following alcohol-related legislation also awaits floor consideration: HB 667 and SB 1020 would allow Floridians to use a smartphone app to order alcoholic beverages for home delivery; HB 961 and SB 1224 would allow beer distributors to give away glasses printed with product names and logos—also known as “branded glassware”—to bars and restaurants; and HB 669 and SB 296 would eliminate wine container size restrictions.

### **Preview of Week 9 (March 5-9)**

**House and Senate Set for Floor Sessions the Entire Week**

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There are 79 bills in the Senate waiting for a floor vote. In the House, there are 46 bills awaiting a floor vote. Needless to say, it will be a busy week. In addition, there is the conclusion of the budget negotiations, the legislation in response to the Parkland Tragedy and all the drama/politics that comes with the final week of session.