



# MIAMI BEACH

OFFICE OF THE CITY MANAGER

NO. LTC #101-2013

## LETTER TO COMMISSION

TO: Mayor Matti Herrera Bower and Members of the City Commission

FROM: Kathie G. Brooks, Interim City Manager

DATE: March 28, 2013

SUBJECT: **Legislative Update**

The purpose of this LTC is to provide the Mayor and City Commission with the attached updates on week three of the Florida Legislative Session.

The Administration will continue working with the City's representatives in support of the legislative agenda, and will provide weekly updates via LTC during the Session. In the meantime, if you have any questions please do not hesitate to contact me.

KGB/MAS/kc

Attachments:

RECEIVED  
2013 MAR 28 PM 3:50  
CITY CLERK'S OFFICE

**RUTLEDGE ECENIA**  
PROFESSIONAL ASSOCIATION  
ATTORNEYS AND COUNSELORS AT LAW

MICHAEL J. BARRY  
STEPHEN A. ECENIA  
RICHARD M. ELLIS  
DIANA FERGUSON  
MARTIN P. McDONNELL  
J. STEPHEN MENTON  
R. DAVID PRESCOTT

POST OFFICE BOX 551, 32302-0551  
119 SOUTH MONROE STREET, SUITE 202  
TALLAHASSEE, FLORIDA 32301-1841  
-----

TELEPHONE (850) 681-6788  
TELECOPIER (850) 681-6515

MARSHA E. RULE  
GARY R. RUTLEDGE  
MAGGIE M. SCHULTZ  
GABRIEL F.V. WARREN

HAROLD F.X. PURNELL  
OF COUNSEL

GOVERNMENTAL CONSULTANT  
JONATHAN M. COSTELLO

**MEMORANDUM**

To: Kevin Crowder  
*Via electronic mail*

From: Gary Rutledge  
Diana Ferguson  
Jon Costello

Copy: Fausto Gomez  
Bob Levy  
Manny Reyes  
Evan Power  
Jose Diaz  
Erica Chanti

Date: March 22, 2013

RE: **2013 Legislative Report, Week 3**

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**Budget**

The House Agriculture and Natural Resources Appropriations Subcommittee is collecting information on water projects that meet the Governor's criteria (which were recently released for review on both sides). Those project submittals are due March 27. The Senate Appropriations Subcommittee on General Government announced on Tuesday that it would review water projects in committee the following day and that project information needed to be submitted by all Senators immediately. They then met on Wednesday and heard presentations. The Miami-Dade County Delegation is working on a letter expressing support for all city and county projects that will then be signed by as many delegation members as possible, since one of the Governor's criteria is that a given project must have the support of a majority of the delegation in writing.

Miami Beach is submitting on project for Bayshore ROW Improvements. This project will protect against flooding and is a reasonable request for state dollars, since the project totals \$6 million, but the City is providing \$5.5 million and requesting a \$500,000 state share. Senator Margolis submitted this request on the Senate side. The House requested that a particular form be completed for its consideration. We received the necessary documentation for the House side from City staff this morning, so we will now ask Representative Richardson to submit the project.

## **Critical Legislative Priorities**

### Business Tax Receipts

The House Finance and Tax Subcommittee passed FTSC5 as a committee bill this week, and it now has a bill number, HB 7109. Currently, the bill allows cities and counties to enter into interlocal agreements so that there is one point of collection. However, Representative Workman has indicated that he wants one point of collection statewide. We will continue to monitor this issue closely. There is no Senate bill on the local business tax at this time. We are working to determine whether the Senate has any plans to address this issue.

### Stadium Funding

HB 165 by Representative Gonzalez and SB 306 by Senator Braynon create the new category of "professional sports franchise renovation facility" under s. 288.1162, F.S. A facility that meets certain requirements and is certified by the Department of Economic Opportunity is eligible for a sales tax distribution payment of \$3 million per year. The bills also allow a county that levies the charter county convention development tax under s. 212.0305(4)(b), F.S., to levy the additional professional sports franchise facility tourist development tax under s. 125.0104(3)(n), F.S. The bills also expand the allowable uses of the additional professional sports franchise facility tourist development tax, but require a referendum at the local level. The bills require private contributions by the professional sports facility as a condition for the use of tourist development taxes. An existing franchise must also execute a 20 year commitment in writing. This legislation does not currently allow for the use of funding for which the convention center project is eligible. There was no action on these bills this week.

## **Legislative Priorities**

### Election Reform

SB 600 by Senator Latvala passed the Senate Ethics and Elections Subcommittee this week. Democrats filed several amendments to increase access to voting further. All were voted down. The bill provides for at least eight early voting days and would allow elections supervisors to

expand that to 14 days, including the Sunday before the election. It also expands the allowable locations for early voting to include senior centers, fairgrounds, civic centers, stadiums, and community centers.

The bill would move the primary up two weeks so it is held 10 weeks before the general election. It would also allow military personnel returning home from combat zones or deployed in areas where they are ready to enter combat zones to register to vote up to the Friday before the election.

Additionally, it would require ballot summaries for constitutional amendments proposed by lawmakers to be a maximum of 75 words unless the Supreme Court rejects the summary and it has to be revised. There was an amendment that would have required 75 words with no exceptions. Senator Latvala pointed out that the House passed HB 7013 with identical language to SB 600 on this point, and all of the House Democrats voted to support it.

The House passed HB 7013 by a wide 118-1 margin two weeks ago. This bill also provides for up to 14 days of early voting and expands the allowable locations for early voting. However, the bills still contain several differing provisions that will need to be negotiated before a bill can pass.

### Pension Reform

SB 534 by Senator Brandes and HB 599 by Representative Caldwell provide that the state is not liable for shortfalls in local government retirement pensions and plans. They require defined benefit systems or plans to report certain information to the Department of Management Services and specifies the assumptions and methods that are to be used to determine the information submitted. The bill is designed to eliminate discrepancies between the assumed rates of return for earnings and the actual return on investments, and to mandate conservative projections on future liabilities. SB 534 passed its second committee this week and has one committee remaining. HB 599 has passed its first committee and has two committees remaining.

SB 458 by Senator Ring and HB 1399 by Representative Rooney generally require plan sponsors to fund the plans at least at the level of benefits in existence on March 1, 1999. Plans less than 80% funded must use 50% of their post-2012 increase in premium tax revenues, and accumulated premium tax revenues, towards the actuarial deficiency; 25% must be used to fund defined contribution benefits; and 25% must be used to fund base benefits. Plans funded at greater than 80% must use 50% of the post-2012 increase in premium tax revenues for defined contribution benefits, and 50% to fund base benefits. Plan benefits may be reduced to base benefit levels; 25% of the plan sponsor's mandatory contribution freed up by reducing benefits must be used to fund actuarial deficiencies. There was no action on these bills this week.

### Windstorm Insurance

HB 835 by Representative Wood passed its second committee this week. The bill would cap Citizens policies at \$500,000 and bar new policies seaward of the narrow coastal construction control line as of July 1, 2014. It also provides for an inspector general for Citizens and caps policies on reconstruction costs starting at \$1 million next year, decreasing down to \$500,000 by 2018 for new policies and 2019 for renewals. This bill does not currently have a clear companion.

SB 1622 by Senator Richter and HB 7093 by the House Insurance and Banking Subcommittee authorize the creation of a clearinghouse diversion program within the corporation for identifying and diverting insurance coverage to private insurers. SB 1622 was on the agenda for Banking and Insurance this week but was not considered. HB 7093 was referred to the Government Operations Subcommittee this week. SB 1606 by Senator Richter and HB 7095 by the House Insurance and Banking Subcommittee provide an exemption from public records requirements for all underwriting guidelines, manuals, rating information, and other underwriting criteria or instructions submitted by an insurer to the corporation's policyholder eligibility clearinghouse program which are used to identify and select risks from the program. SB 1606 was on the agenda for Banking and Insurance this week but was not considered. HB 7095 was referred to the Government Operations Subcommittee this week.

SB 1770 by the Senate Insurance and Banking Committee creates the Florida Catastrophe Risk Capital Access Facility to increase the access of small domestic insurers to risk-capital markets. This bill received two committee references after being approved as a committee bill by Insurance and Banking. The bill passed its first committee this week. It does not currently have a clear companion.

### Red Light Cameras

While no proposals to ban red light cameras are gaining traction, there is a bill moving that would provide additional requirements and restrictions related to the operation of red light cameras. Among other provisions, HB 1061 by Representative Artiles prohibits the use of the cameras for right-hand turns on a red light. It also requires certified mail delivery for violations. It received two committee references and passed its first committee last week. It has one committee remaining. The companion, SB 1342 by Senator Abruzzo, passed its first committee this week. However, it was amended in the Senate Transportation Committee to remove a proposed reduction in the fine from \$158 to \$100. A provision was also removed that would have given violators 90 days to pay up from the current 30 days.

## Synthetic Drugs

SB 294 by Senator Bradley and HB 619 by Representative Ingram would codify the Schedule I scheduling of the substances listed in the Attorney General's emergency rule. Persons who engage in certain unlawful acts involving these substances would be subject to arrest and prosecution. SB 294 passed its last committee this week and will be on Special Order in the House next week if it is received in time. HB 619 is in its last committee.

## **Other Legislation of Interest**

### National Mortgage Settlement

The House Appropriations Committee approved a committee bill this week (APC1) that would determine how to use the \$200 million in mortgage fraud money the state received last year as part of a \$32 billion settlement with five of the nation's largest loan servicers. The committee bill would offer down payment assistance for teachers and other professionals with low incomes in fields where recruitment and retention have presented significant challenges. It would also pay for residential rehabilitation and reconstruction projects in blighted neighborhoods, encourage partnerships with the private sector in providing housing to the elderly and low income residents and provide housing grants for low income university students. The bill would extend legal assistance to homeowners facing foreclosure and increase funding for courts and clerks offices to address foreclosures. The Senate Appropriations Subcommittee on Transportation, Tourism, and Economic Development is expected to release a similar committee bill soon.

APC1 does not contain and funding for the State Housing Initiatives Partnership (SHIP) which is administered by the Florida Housing Finance Corporation (FHFC) and distributed to local governments to produce and preserve affordable housing. SHIP funds are distributed on an entitlement basis to all 67 counties and the 53 Community Development Block Grant (CDBG) entitlement cities in Florida. Representative Fasano filed an amendment to include \$25 million in funding for SHIP. However, the amendment was voted down.

Earlier this year, the Joint Legislative Budget Commission approved a \$60 million package of relief that would include \$35 million in down payment assistance to homebuyers that have not owned a home in the previous three years. Maximum benefits of \$7,500 can be used to help with closing costs on 30-year, fixed rate mortgages.

### Mandatory Sick Leave

HB 655 by Representative Precourt; SB 726 by Senator Simmons

HB 655 preempts local governments from requiring employers to provide certain benefits. It specifically preempts living wage ordinances. SB 726 contains a preemption relating to leave

benefits but does not preempt living wage ordinances. The Senate bill initially contained additional provisions in state law that would provide certain leave benefits to employees statewide. However, it has been amended to replace those additional benefits with a study group that would examine the issue and make recommendations to the Legislature. This was done at Senator Latvala's request. The bill passed its second committee this week and has one committee remaining.

HB 655 is on the House calendar on second reading. Representative Precourt has indicated that he may be willing to grandfather existing living wage ordinances. Some business groups have indicated that they would prefer the living wage preemption to be removed entirely, since their priority is sick leave. The bills are so dissimilar at this point that they are not linked as companion bills.

2013 Session Dates

April 3-4, 2013

Miami-Dade County Days

May 3, 2013

60<sup>th</sup> day – last day of Regular Session