



# 2013 Legislative Summary

May 9, 2013

To Our Clients and Colleagues:

We are pleased to present the enclosed 2013 Legislative Session Summary for your review. We hope it will give you a general understanding of major legislative developments in Tallahassee this year. Of the 1592 general bills filed for the 2013 Session, 259 passed the Legislature.

Again, we hope the summary provides you an overview of the major developments for the 2013 Session. Any member of the Fowler White Boggs Lobbying Team would be pleased to answer specific questions you might have about particular legislation.

Thank you,

Fowler White Lobbying Team:

Mac Stipanovich  
Linda Shelley  
Bob Butterworth  
Jim Magill  
Kim McGlynn  
Keith Arnold  
Brett Bacot

**FOWLER WHITE BOGGS P.A.**

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**Linda Loomis Shelley** (Tallahassee Managing Shareholder) has significant experience in environmental and land use permitting before state, regional and local entities and provides advice and assistance regarding Florida administrative practice and litigation. Ms. Shelly has also served as General Counsel for Governor Bob Graham, Chief of Staff to Governor Lawton Chiles, and she served as Secretary for the Florida Department of Community Affairs.



**John "Mac" Stipanovich** (Lobbying Team Leader) practices administrative law representing entities before state government agencies, the Governor and Cabinet, and the legislature. Mr. Stipanovich has served as Campaign Director and Chief of Staff for Governor Bob Martinez, and Senior Advisor for Governor Jeb Bush.



**J. Keith Arnold** is a fifth generation Floridian from Ft. Myers who served in the Florida House of Representatives for 16 years, and at the age of 28 became the youngest majority leader in state history. Keith has represented various clients before the state legislature and executive branch for 15 years.



**Brett Bacot** is a registered lobbyist with more than 14 years experience representing clients before state government, and during that time has worked in various issue areas, specializing in healthcare, appropriations, and local government issues.



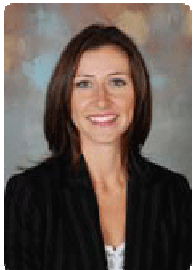
**Karen A. Brodeen** has extensive experience in administrative, land use, growth management and environmental law. Karen has also served as Assistant General Counsel for the Florida Department of Community Affairs, Department of Environmental Regulation, and Department of Business Regulation.



**Bob Butterworth** has served the citizens of Florida in several capacities as Broward County Sheriff, county judge, circuit judge, Director of Florida's Motor vehicles, Mayor of Sunrise, Florida, Attorney General of Florida, and Secretary of the Florida Department of Children and Families.



**Jim Magill** has served as Director of Legislative Affairs for former Governor Jeb Bush, Director of State Senate campaigns, and was named a 'Top Republican in Florida' in 2009. Jim has over a decade of experience representing clients before the Florida legislature, state agencies, and the Governor and Cabinet. in various policy areas.



**Kim McGlynn** represents individuals and entities having interests before the Florida legislature, state agencies, and the Governor and Cabinet. Among other accomplishments, Kim has served in the Senate Majority Office and Legislative Coordinator for the Florida Department of Lottery.



**William D. Townsend** practices in the areas of state and local taxation and multi-state taxation. He has represented clients in various states on issues in administrative and judicial actions relating to sales, corporate income, B & O and telecommunications taxes, as well as state taxation of intellectual property, electronic commerce taxation (E-commerce) and unclaimed property (escheat) issues. Additionally, he represents clients on legislative tax matters.



**Michael Underwood** was a key official at the predecessor of the Florida Department of Financial Services and authored many provisions of Florida's securities and banking laws. Since leaving government, he has become recognized as a national leader in financial services regulation, especially in Florida. He represents securities broker-dealers, investment advisers, mortgage brokers, financial institutions and affiliated individuals in civil litigation, arbitration, regulatory investigations and enforcement actions.



**Jacob D. Varn** has experience in environmental and land use law, administrative and governmental law, and transportation law. Mr. Varn has served as both Secretary for the Florida Department of Environmental Regulation and Secretary of the Florida Department of Transportation.



**Rex D. Ware** focuses on state and local taxation, and state government contracting. He regularly represents multi-state clients before the Florida Department of Revenue and in litigation in circuit court and administrative proceedings. He also assists clients in licensure, bid procurement and disputes, and rulemaking proceedings, as well as in commercial litigation in all Florida courts. In addition, Mr. Ware has served as Deputy General Counsel for the Florida Department of Revenue.

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### *2013 Major Legislation That Passed the 2013 Session*

The 2013 Regular Session is in the books as lawmakers finished their work on Friday, May, 3rd . The hankie dropped at 7:16 p.m., recapturing the spirit of good will that had pervaded most of the Session, but that had been strained during the previous few days.

Most of the bills listed below had not been presented to or acted upon by the Governor at the time this summary was prepared. The reader is advised to check on whether the bill will become law by going to one of the Legislative websites to find out the status of the bill in the gubernatorial review process.

#### **FINANCE AND TAXATION**

**HB 85**            **Relating to Public-Private Partnerships** – *Effective date July 1, 2013.*

This bill authorizes public-private partnerships for county road purposes; services to preserve, maintain, or improve parks at least 20 acres in size which have contiguous public facilities that seat at least 5,000 persons; school buildings at least 90,000 square feet in size; and public service work with not-for-profit organizations and charitable youth organizations. It also creates procurement procedures for solicited and unsolicited public purpose projects, and a task force charged with developing a uniform process for establishing public-private partnerships.

**HB 277**            **Relating to Assessment of Residential & Non-Homestead Real Property** - *Effective date July 1, 2013.*

HB 277 encourages “renewable energy source devices” by enumerating the devices that are exempt from the assessed value of residential properties, and specifies that the exemption will only apply to renewable energy source devices installed on or after January 1, 2013, to new and existing residential properties. This exemption will apply to assessments made by property appraisers beginning January 1, 2014.

**CS/HB 579**            **Natural Gas Motor Fuel** - *Effective January 1, 2014.*

The bill requires any person selling natural gas fuel at retail in Florida to obtain a natural gas fuel retailer license from the Department of Revenue. The bill replaces the annual decal and fee with a tax on each motor fuel equivalent gallon of natural gas fuel. The bill provides exemptions from the tax imposed by chapter 206 when used or purchased for the following: Exclusive use by the United States or its departments or agencies; use for

agricultural purposes, used to propel motor vehicles operated by state and local government agencies; individual use resulting from residential refueling devices; and purchases of natural gas fuel between licensed natural gas fuel retailers. The bill exempts natural gas fuel from the state sales and use tax when the fuel is placed into the fuel supply system of a motor vehicle.

HB 579 also provides a \$25,000 per vehicle or up to \$250,000 per year rebate for converting commercial fleet vehicles to natural gas. The bill appropriates \$6 million per year for the next five years on the rebate program.

**HB 1193**      **Relating to Taxation of Property** - *Effective upon becoming a law.*

The bill deletes the requirement that property appraisers assess lands as nonagricultural that have been zoned to a nonagricultural use at the request of the owner, where the board of county commissioners finds that the continued agricultural use adjacent to urban development will have a deterrent effect on the timely and orderly expansion of the community, and the sale price of the land is more than triple its assessed agricultural value. Only property appraisers will be able to reclassify lands and they must continue to reclassify lands as nonagricultural after they convert to a nonagricultural use or cease to have an agricultural purpose.

**HB 4013**      **Tax Refund Programs** - *Effective date July 1, 2013.*

The bill amends s. 288.1045, F.S., to remove the limitation which restricts a qualified applicant from receiving more than \$7 million in tax refunds in all fiscal years it participates in the Qualified Defense Contractor and Spaceflight Business Tax Refund program. The bill also amends s. 288.106, F.S., to remove the limitation which restricts a qualified target industry business from receiving more than \$7 million in refund payments in all fiscal years it participates in the Qualified Target Industry Tax Refund program, or more than \$7.5 million if the project is located in an enterprise zone.

**HB 7007**      **Economic Development** - *Effective upon becoming a law.*

This bill contains one of the Governor's top priorities for the Session: the elimination of the manufacturing sales tax. It also modifies many of the economic development statutes and related programs and activities administered by the Department of Economic Opportunity (DEO). The Office of Governmental Accountability and the Office of Program Policy Analysis and Government Accountability (OPPAGA) must develop a work plan that evaluates the economic benefits of the programs and activities, and submit the results on a staggered three year schedule. Enterprise zones wholly or partially within a Rural Area of Critical Economic Concern may apply to expand up to 3 or 5 miles if certain criteria are met. The bill also creates within DEO the non-profit corporation Triumph Gulf Coast, Inc., which must create and administer the Deepwater Horizon Recovery Trust Fund for the benefit of the disproportionately affected counties.



Industrial machinery and equipment will be exempt from sales tax when purchased by eligible manufacturing businesses which is used at a fixed location within this state for the manufacture, processing, compounding, or production of items of tangible personal property for sale. The exemption will apply **ONLY** if the manufacturing activity represents more than fifty percent of the activities conducted at the location where the industrial machinery and equipment is located.

### **GROWTH MANAGEMENT**

**HB 203**      **Relating to Agricultural Lands** - *Effective date July 1, 2013.*

This bill expands the applicability of the county prohibition on duplicative policies limiting bona fide farm operations to any “governmental entity,” which is defined to not include water management districts, water control districts, and special districts created for water management purposes. A governmental entity will be prohibited from charging a fee on a specific agricultural activity of a bona fide farm operation if the activity is subject to best management practices, interim measures, certain types of state regulations adopted as rules, or express regulation by specified federal agencies.

**HB 319**      **Relating to Community Transportation Projects** - *Effective upon becoming a law.*

The bill adds development agreements to the list of authorizations that allow an applicant to invoke the provisions of Section 163.3180(5)(h); clarifies that a good faith offer to enter into a binding agreement to pay or construct is sufficient; allows a local government to pool contributions from multiple applicants for a planned improvement if it maintains the contributions in a separate account; specifies that an alternative mobility funding system may not be used to deny, time, or phase an application for site plan approval, plat approval, final subdivision approval, building permits, or their functional equivalent if the developer agrees to pay for identified transportation impacts; specifies that a mobility fee-based funding system must comply with the dual rational nexus test applicable to impact fees, and specifies that an alternative system may not impose any responsibility for funding existing transportation deficiencies.

**HB 357**      **Relating to Manufacturing Development** – *Effective date July 1, 2013.*

This bill creates the Manufacturing Competitiveness Act for designated types of manufacturers (NAICS Sectors 31-33); authorizes local governments to establish a local manufacturing development program that provides for master development approval for certain sites; requires the Department of Economic Opportunity (DEO) to develop a model ordinance containing specified information and provisions; requires a local manufacturing development program ordinance to include certain information; requires DEO, in cooperation with participating agencies, to establish a manufacturing

development coordinated approval process for certain manufacturers; and requires DEO to develop materials that identify local manufacturing development programs and requires Enterprise Florida, Inc. to distribute such material.

**HB 537 Initiative or Referendum Process** - *Effective upon becoming a law.*

HB 537 clarifies the prohibition on an initiative or referendum process in regard to comprehensive plan amendments, map amendments, and development orders; clarifies that the exception to the prohibition is limited to a local government charter provision in effect on June 1, 2011, that specifically authorized an initiative or referendum process for a local comprehensive plan or map amendment affecting more than five parcels of land; and repeals the 2012 law relating to a presumption regarding an agricultural enclave.

**SB 1106 Relating to Agritourism** - *Effective date July 1, 2013.*

This bill provides that local governments may not regulate agritourism activity on land classified as agricultural except during declared emergencies; excludes the construction of new or additional structures or facilities intended to house, shelter, transport, or accommodate members of the general public from the definition of agritourism; and limits the liability of an agritourism operator resulting from the inherent risks of agritourism activities under defined circumstances.

**SB 1784 Relating to Military Installations** - *Effective date July 1, 2013.*

The legislation provides the authority of the Board of Trustees of the Internal Improvement Trust Fund (Board) to acquire nonconservation lands to buffer a military base against the encroachment of incompatible adjacent land uses, subject to specific appropriation; authorizes lands to be acquired through fee simple purchase or less than fee interest purchase; directs the Department of Economic Opportunity to annually recommend nonconservation lands for the Board's consideration; and directs the Board to also consider the recommendations of the Florida Defense Support Task Force.

**HB 7019 Relating to Development Permits** - *Effective date July 1, 2013.*

This bill ensures that Florida complies with the National Flood Improvement Program by requiring local governments to attach a disclaimer to development permits that all necessary federal and state permits must be obtained before development begins. It also contains the clarification to the prohibition against an initiative or referendum process regarding any local comprehensive plan amendment affecting up to five parcels or any development order. The bill also extends until October 1, 2013, the time in which a permit holder may provide written notification of intent to extend by two years a permit which has an expiration date from January 1, 2012 through January 1, 2014.

**ENVIRONMENT**

**SB 244**      **Relating to Water Management Districts** - *Effective date July 1, 2013.*

SB 244 requires proposed water reservations and water bodies that may be affected by water withdrawals in an adjacent water management district to be identified on a district's annual minimum flows and levels (MFL) priority list and schedule; directs the districts to provide technical information and staff support to FDEP when the department proposes adoption of a reservation, MFL, or recovery or prevention strategy by rule; and provides for joint planning between districts and affected regional water supply authorities.

**SB 364**      **Relating to Consumptive Use Permits for Development of Alternative Water Supplies** - *Effective date July 1, 2013.*

This bill allows permits for the development of alternative water supplies to be granted for a 30-year period if there is reasonable assurance that the conditions for issuance will be met for the duration of the permit. It further allows for extension of the permit if construction of the project is bonded.

**HB 375**      **Relating to Onsite Sewage Treatment and Disposal Systems** - *Effective date July 1, 2013.*

The bill revises requirements for maintenance entity service agreements for certain engineer designed-systems; authorizes owner-occupied, single-family residences to be approved and permitted as a maintenance entity for their own system if training is affirmed by the manufacturer's approved representative; and provides that systems must cease discharge by December 31, 2015, or reduce nitrogen by 70 percent to comply with nitrogen standards.

**HB 713**      **Relating to Water Quality Credit Trading** - *Effective date July 1, 2013.*

This bill authorizes FDEP to implement water quality credit trading in any adopted basin management action plans (not limited to Lower St. Johns River Basin), and clarifies that participation in water quality credit trading is entirely voluntary. It also specifies that FDEP may not participate in the establishment of credit prices.

**SB 934**      **Relating to Stormwater Management Permits** - *Effective date July 1, 2013.*

SB 934 requires that rules for the statewide environmental resource permit must provide for conceptual permits and associated general permits for a municipality or county that creates a stormwater management master plan for urban infill and redevelopment areas or

community redevelopment areas; specifies that the master plan becomes part of the conceptual permit; specifies that the conceptual permit and associated general permit must not conflict with NPDES requirements or with implementation of TMDLs or BMAPs; and specifies that conceptual permits may not expire for at least 20 years unless shorter duration is requested.

**SB 948**      **Relating to Water Supply** – *Effective date July 1, 2013.*

This bill requires the Department of Agriculture and Consumer Services (DACS) to develop an agricultural water supply planning program with a planning period of at least twenty years and requires each water management district's regional water supply plan to include agricultural demand projections based on the best available data. It also adds DACS, utility companies, landowners, and water consumers to the list of those who must cooperate in meeting the water needs for rural and rapidly urbanizing areas.

**HB 999**      **Environmental Regulation** - *Effective date July 1, 2013.*

The legislation amends numerous statutes relating to environmental regulation and permitting; prohibits local governments from requesting additional information from an applicant more than three times unless the applicant waives the limitation in writing; defines “first-come, first-served” as it relates to marina permits and specifies requirements for the calculation of lease fees for certain marinas; provides that the water management district or FDEP has the authority to approve the application which best serves the public interest when competing consumptive use permits are pending; prohibits government entities other than the water management districts, delegated governments, or local county health departments from imposing certain requirements and fees for the issuance of well permits; and ratifies certain leases in the Everglades Agricultural Area previously approved by the Board of Trustees.

**HB 1083**      **Relating to Underground Natural Gas Storage** - *Effective date July 1, 2013.*

This bill establishes a regulatory framework for the storage and recovery of gas injected into natural gas storage facilities, and creates related definitions, permit requirements, and permit criteria. Natural gas storage facilities will require construction and operating permits issued by FDEP, which must promulgate implementing rules before the first permit can be issued. The permit criteria include safeguards to protect groundwater and a rebuttable presumption that will hold a natural gas storage facility operator responsible for pollution of a water supply within its lateral boundary.

**SB 1808** **Relating to Numeric Nutrient Criteria** - *Effective upon becoming a law.*

This bill codifies the agreement between the US Environmental Protection Agency and FDEP regarding setting numeric nutrient criteria (NNC) for flowing waters of the state; directs FDEP to implement its adopted nutrient standards for streams, springs, lakes, and estuaries in accordance with a specified document; directs FDEP to establish estuary specific NNC for estuaries not already subject to FDEP NNC; and sets NNC for chlorophyll *a* for non-estuarine coastal water by December 1, 2014.

**HB 7065** **Everglades Improvement and Management** - *Effective upon becoming a law.*

This bill makes a legislative finding that implementation of best management practices (BMPs) by agricultural users effectively reduces nutrients in waters flowing into the Everglades Protection Area; extends the agricultural privilege tax at \$25 per acre through 2026, and decreases it in three steps to \$10 from 2036 and thereafter; specifies that the proceeds of the tax be used for design, construction and implementation of the Long-Term Plan; and appropriates \$12 million recurring General Revenue and \$20 million recurring funds from the Water Management Lands Trust Fund for the Restoration Strategies Regional Water Quality Plan.

**HEALTHCARE**

**HB 939** **Relating to Medicaid Recoveries** - *Effective date July 1, 2013.*

This bill modifies statutory provisions relating to fraud and abuse, provider controls, and accountability in the Medicaid program; requires a change in a principal to be reported by a Medicaid provider to AHCA; revises provisions relating to AHCA's onsite inspection responsibilities; revises provisions relating to background screening; revises provisions relating to settlements of Medicaid claims; provides procedures for contesting amount of medical expense damages; expands the list of offenses for which AHCA may terminate a provider from the Medicaid program; provides a limitation on the information AHCA may consider when making a determination of overpayment; specifies records a provider must present to contest overpayment; clarifies the provision regarding accrued interest on certain payments withheld from a provider; deletes the requirement that AHCA must place payments withheld from a provider in a suspended account and revising when provider must reimburse overpayments; and revises membership requirements for Medicaid and Public Assistance Fraud Strike Force to allow for participation by designees.

**HB 1093 Relating to Volunteer Health Services** - *Effective date July 1, 2013.*

This bill provides the Department of Health more flexibility to issue limited medical licenses to out-of-state and retired physicians so that they can provide volunteer medical services; allows health care providers to fulfill one hour of continuing education credit by providing one hour of volunteer service to indigents, up to a total of 8 hours of such volunteer service per licensure renewal period; provides that a government contractor who volunteers services to low-income persons no longer is the one who must make patient selection and initial referral determinations; deletes the requirement for patient care to be approved by the government contractor; and directs the Department to adopt rules to guide patient eligibility and referrals determinations.

**HB 1159 Relating to Health Care Facilities** – *Effective upon becoming a law.*

The bill provides a limited Certificate of Need (CON) exemption for skilled nursing facilities within retirement communities that meet certain criteria, such as the Villages and On Top of the World. It also allows qualifying specialty-licensed children’s hospitals with neonatal intensive care beds to provide obstetric services and up to ten beds for labor and delivery. The Miami Children’s Hospital meets the criteria for this allowance. Hospitals within areas with limited access to trauma centers are to be designated as Level II trauma centers upon verification that they hold a trauma care certificate from the American College of Surgeons. This provision is expected to enhance trauma care in portions of Central Florida and the Panhandle. The bill also creates the Cancer Treatment Fairness Act, which includes a requirement for health insurance providers and health maintenance organizations that cover cancer treatment medications to also cover oral cancer treatment medications.

**HB 1842 Relating to Health Insurance** - *Effective upon becoming a law.*

This bill authorizes the Office of Insurance Regulation to review forms and conduct market conduct examinations for compliance with PPACA and to report potential violations to the federal Department of Health and Human Services; provides that PPACA compliance determinations do not affect the substantial interests of any party for the purposes of Chapter 120; requires the registration of “navigators” (persons who facilitate the selection of a qualified health plan) with the Department of Financial Services and specifies qualifications; repeals provisions related to the Florida Health Insurance Plan; provides for the future repeal of provisions relating to the Florida Comprehensive Health Association.

**REAL PROPERTY**

**HB 73**            **Relating to Condominiums, Cooperatives, and Homeowners' Associations** – *Effective date July 1, 2013.*

This bill amends a wide variety of laws that pertain to condominiums, cooperatives, and homeowners associations, which are regulated under Chapters 718, 719, and 620, respectively. Each of those chapters is revised to allow members to copy, without charge, association documents using a smart phone, tablet, portable scanner, or similar technology; provides mechanisms for a unit or parcel owner to appeal a board's failure to act on a recall of a board member and for a board member to appeal his recall; and prohibits access restrictions to certain common elements. Several other changes revise laws pertaining to cooperative and homeowners associations to more closely mirror those regarding condominiums. Cooperative board member must either certify that they read various association documents or take a state approved curriculum. A condominium board member's two year term no longer will be subject to an annual vote. A person is ineligible to serve on the board if he owes money to the association. The threshold that triggers a condominium's need to file financial statements, instead of only a report of cash receipts and expenditures, is reduced from 75 units to 50 units. A member or parcel owner of a homeowner's association who wishes to speak at an association meeting no longer must give advance written notice.

**HB 77**            **Relating to Landlords and Tenants** – *Effective date July 1, 2013.*

This bill revises several statutory provisions regarding residential tenancies. It allows a landlord to accept a partial rent payment without waiving his right to evict or sue, and modifies the wording requirement regarding the security deposit disclosure. A lease will not be able to waive statutory attorney fees.

**HB 87**            **Relating to Mortgage Foreclosures** – *Effective upon becoming a law.*

This bill streamlines the foreclosure process to expedite uncontested cases and cases lacking legitimate defenses. It also allows a lienholder to initiate the foreclosure process. The statute of limitations for deficiency claims on residential foreclosure actions will be reduced to one year.

**SB 112**           **Relating to Filing False Documents Against Real or Personal Property**  
- *Effective date October 1, 2013.*

This bill makes it a third degree felony to file in official records, with the intent to defraud or harass another person, a document that contains materially false, fictitious, or fraudulent statements which purports to affect an owner's property interest. A person who commits a subsequent offense commits a second degree felony. If the perpetrator was a public employee or officer, incarcerated or on probation, or the illegally filed

document caused a financial loss to the property owner, the felony degree will be increased. If the document is a fraudulent construction lien, the offender will be charged under the Construction Lien Law. The bill also creates civil remedies for damages and to nullify materially false, fictitious, or fraudulent statements in filed documents.

**SB 120**      **Relating to Condominiums** – *Effective upon becoming a law.*

This bill clarifies that condominium units are created when the declaration of condominium is recorded and the units may be subject to assessments starting from that date. It further allows a developer to record a declaration and begin sales without commencing certain statutory time periods. Several statutory time periods are extended or revised to commence based upon a later event than the declaration recording.

**HB 229**      **Relating to Land Trusts** - *Effective upon becoming a law.*

The legislation clarifies the distinction between a land trust and a general trust. The definition of “land trust” is revised to incorporate a description of the duties of a trustee for a land trust, which are largely ministerial. The bill incorporates various land trust practices and improvements to existing law with the intent to encourage the use of land trusts in real estate transactions.

**HB 267**      **Relating to Real Property Liens and Conveyances** - *Effective October 1, 2013.*

The bill removes the warranty deed requirement for a blank space to provide the grantee’s social security number. It also requires liens filed by a governmental entity or quasi-governmental entity against real property for an improvement, service, fine, or penalty to be recorded in the county’s official records. The recorded notice of lien must include certain required information.

**SB 736**      **Relating to Limitations Relating to Deeds and Wills** - *Effective date October 1, 2013.*

This bill expands the scope of the five year limitation of action for challenging a defective deed or will conveying an interest in real estate. The statute adds a five year window to claim lack of a legal power of attorney. The bill also requires those affected by the amendment to file a claim on or before October 1, 2014, after which time the unchallenged defect will be deemed cured.

**HB 833**      **Relating to General Assignments** – *Effective upon becoming a law.*

This bill provides greater guidance for the administration of a debtor’s insolvent estate where the debtor has made a general assignment of estate assets to an assignee. A “negative notice” procedure is created that allows an assignee to provide notice to



interested parties of its intended action. If no objection is filed and served within 21 days, the assignee may proceed with his noticed action without a hearing. The amount of a bond required by an assignee must be \$25,000 or double the assets' liquidation value, whichever is higher. An assignee may conduct discovery to assist it in determining whether to pursue a future claim or cause of action. The amount of time during which an assignee may conduct the business of its creditor is expanded from 14 days to 45 days. Additional time can be gained through the "negative notice" process or court order. A procedure is established for an assignee to follow if it chooses to reject an unexpired lease of non-residential property or personal property.

**HB 903**      **Relating to Adverse Possession** - *Effective date July 1, 2013.*

This bill adds more requirements to acquire title to real property by adverse possession. A claimant must pay all taxes and special assessment liens that accrue on the property. A person may not apply for title through adverse possession for more than one Florida property at the same time. A claimant must maintain the property without entering any structure on the land until the adverse possession period ends. It will be a crime to enter or occupy a structure solely to make a claim of adverse possession before filing a return with the property appraiser or to offer for lease a property claimed through adverse possession.

**SB 1770 Relating to Property Insurance** – *Effective date July 1, 2013.*

This bill revises several insurance laws, including statutes specific to Citizens Property Insurance Corporation (Citizens). The bill provides a staggered schedule for phasing out coverage by Citizens for residential structures and condominium units with a replacement cost over \$700,000. Citizens residential coverage will continue to be available in counties lacking a reasonable degree of competition, however only for dwellings with a replacement value up to one million dollars. Any major structure seeking a permit on or after July 1, 2014 for new construction or substantial improvement will be ineligible for Citizens insurance if it will be located seaward of the coastal construction control line or within the federally designated Coastal Barrier Resources System.

**HB 7119**      **Relating to Homeowners' Associations and Community Association Managers-** *Effective date July 1, 2013.*

This bill provides additional procedures and requirements for homeowners associations, which are not directly regulated by any state agency. Records will be required to be kept for at least 7 years, shall be made available within 45 miles of the community or within the same county no more than 10 business days after a written request, and the maximum charge for copies is dropped from 50 cents per page to 25 cents per page. Inspection may be provided through the internet. Members may copy records electronically with portable devices, for which no fee may be imposed. On or before November 22, 2013, each homeowners' association must file a report with the Department of Business and

Professional Regulation which contains certain minimum information. Directors and officers will be required to conform to similar requirements that apply to their counterparts in condominium associations, including certifying that they have read the governing documents and policies or took the state's educational curriculum. The association will be required to maintain insurance or a fidelity bond for every person who controls or disburses its funds. The bill also adds scenarios under which control of the board may transition from the developer to the nondeveloper parcel owners, including two years of construction or sale inactivity, developer abandonment, or bankruptcy filing. A developer controlled board may not increase assessments by more than 15 percent without a majority vote of non-developer members.

### **GENERAL GOVERNMENT**

**SB 2**            **Relating to Ethics** - *Signed by Governor; effective date May 1, 2013; Chapter No. 2013-36, Laws of Florida.*

This bill requires the Ethics Commission to scan public financial disclosure forms and provide them online in a searchable format. All filers will be required to file online. The statute of limitations for the Ethics Commission to collect an unpaid financial disclosure fine increases from 4 to 20 years and a garnishment process is created for such unpaid fines. A filer may have a certified public accountant prepare and file his disclosure form, which shall provide the filer a limited "safe harbor" from errors. Agency vendors are added to the list of those from whom a reporting individual or procurement employee may not accept any gifts or honoraria with a value over \$100. The bill also allows a public officer to create blind trust for his assets and places certain requirements on the trust, including disclosure of the blind trust as an asset. All constitutional officers will be required to receive ethics training. Former legislators will be barred from lobbying any executive branch agency for two years after leaving office. Certain public officers will be authorized to refer possible ethics violations to the Ethics Commission.

**SB 4**            **Relating to Public Records and Meetings** - *Effective date May 1, 2013.*

This bill is linked to the portion of SB 2 that authorizes specified public officers to refer possible ethics violations to the Ethics Commission. It also creates a temporary public records exemption for the written referrals of possible ethics violations and their resulting preliminary investigations.

**SB 50**           **Public Meetings** - *Effective date October 1, 2013.*

The bill requires members of the public to be given a reasonable opportunity to be heard on a proposition before a board or commission. However, the opportunity to be heard does not have to occur at the same meeting at which the board or commission takes a single official action if the opportunity occurs at a meeting that is during the

decisionmaking process and is within reasonable proximity in time before the board or commission takes official action. The bill also provides that the opportunity to be heard is not required in emergency situations if compliance would cause an unreasonable delay or as to ministerial acts such as approval of the minutes and ceremonial proclamations, among other exceptions. Whenever an action is filed against a board or commission to enforce the provisions of the act, the court must assess reasonable attorney's fees against the appropriate state agency or authority if the court determines that the defendant to such action acted in violation of the act, and may assess attorney fees against the individual filing such an action if the court finds that the action was filed in bad faith or was frivolous. The bill provides that any action taken by a board or commission that is found to be in violation of the act is not void as a result of such violation.

**SB 52**            **Relating to Wireless Communications While Driving** – *Effective date October 1, 2013.*

This bill makes it illegal to send or receive text messages or other data with a hand held communications device while operating a moving vehicle. A first violation is a nonmoving offense. A second violation within 5 years will be a moving offense. If a crash results from an unlawful use of a cellphone, six points will be added to the violator's driving record. Billing records and oral or written evidence of text messages will be admissible to show that a violation occurred

**HB 155**            **Relating to Prohibition of Electronic Gambling Devices** - *Signed by Governor; Effective date April 10, 2013; Chapter No. 2013-002.*

This bill outlaws "Internet Cafes" and clarifies laws regarding slot machines, charitable drawings, game promotions, and amusement machines. The definition of slot machine is updated to no longer require coin insertion and to apply to network based machines. Slot machines are prohibited, regardless of whether the outcome is determined by skill or chance or whether free play is available. A rebuttable presumption is created that a device is a prohibited slot machine if it displays images of games of chances, requires any payment or contribution, and awards anything of value. Charitable drawings of chance, games that promote products or services, and amusement machines at arcades and truck stops which involve player skill are not considered prohibited gambling.

**HB 269**            **Relating to Building Construction** – *Effective date July 1, 2013.*

This bill requires state agencies, local government, and school boards to specify in public works bids that Florida forest products must be used for any wood components if the Florida products are available and at an equal price, fitness, and quality.

**SB 336**      **Relating to the Tourist Development Tax** – *Effective date July 1, 2013.*

This bill clarifies that a local option tourism development tax automatically expires, either when the facility's bonds are retired or its agreement to operate or maintain expires, whichever is later.

**SB 534**      **Relating to Publicly Owned Defined Retirement Plans** – *Effective date July 1, 2023.*

This bill declares that the State of Florida is not liable for any current or future financial shortfall in any local government retirement plan. It also creates new reporting and online posting requirements for public pension plans other than the Florida Retirement System.

**HB 569**      **Relating to Campaign Finance** – *Signed by Governor; effective date July 1, 2013; Chapter No. 2013-37, Laws of Florida.*

This bill changes several aspects of Florida's campaign contribution laws. It eliminates Committees of Continuous Existence and amends several of the maximum campaign contributions. The bill allows unlimited contributions made to a Political Committee (PC) and limits contributions made by a PC or individual to \$1,000 or \$3,000 if the candidate is seeking statewide office or Supreme Court justice retention. It also revises laws regarding the filing of campaign finance reports and the disposition of surplus campaign funds.

**HB 585**      **Relating to Law Enforcement** – *Effective date July 1, 2013.*

This legislation is the Florida Department of Law Enforcement's (FDLE) legislative package and amends a wide range of miscellaneous statutes addressing law enforcement issues. The bill authorizes local governments to require criminal background checks for security or public safety purposes on those who may have direct contact with persons or public facilities, such as taxi drivers, tow truck operators, delivery persons, and repair persons. The bill also prohibits secondary metal recyclers from purchasing more than two lead acid batteries in a single purchase or from the same person in a single day.

**HB 655**      **Relating to Employment Benefits** – *Effective date July 1, 2013.*

This bill prohibits local governments from requiring employers to provide a higher wage or additional employment benefits than are mandated by federal or state law.

**SB 674**      **Relating to Animal Shelters and Animal Control Agencies** - *Effective date July 1, 2013.*

SB 674 requires all public and private animal shelters to compile and maintain records on dogs and cats that they receive, including their disposition. These records will be

available for public inspection. The legislative goal is to be able to determine which programs result in higher adoption rates and lower euthanasia rates.

**HB 731 Relating to Public Records/Spouses & Children of Law Enforcement Personnel** – *Effective date October 1, 2013.*

This bill creates a public records exemption for the names of spouses and children of specified active or former sworn or civilian law enforcement personnel, including state attorneys and statewide prosecutors. The exemption will be repealed on October 2, 2018, unless the Legislature saves it from repeal through reenactment.

**HB 7013 Relating to Elections** – *Effective upon becoming a law.*

This bill requires a minimum of 8 days and no more than 14 days for early voting in any election that includes a state or federal race, between 8 and 12 hours per day. The specified types of locations that may offer early voting is expanded to include fairgrounds, civic centers, courthouses, county commission buildings, stadiums, convention centers, government, owned senior centers, and government, owned community centers. A supervisor of elections may also designate one non-specified early voting location in order to provide voters in that portion of the county an equal opportunity to vote.

**HB 7087 Relating to the Department of Agriculture and Consumer Services** – *Effective upon becoming a law.*

This bill creates or revises various laws regarding the Department of Agriculture and Consumer Services (DACS), including requirements for prescribed burns. The bill also specifies that DACS, in cooperation with the Florida Fish and Wildlife Conservation Commission, shall be the lead managing agency for the Babcock Ranch Preserve. After the management agreement expires, Lee County will retain ownership and management responsibilities of the Lee County portion of the Babcock Ranch Preserve. HB 7087 also authorizes both the Lee County and Charlotte County Boards of County Commissions to appoint a board member to the advisory board.

**PROFESSIONAL REGULATION**

**SB 166 Relating to Annuities** - *Effective date October 1, 2013.*

This bill provides that recommendations relating to annuities made by an insurer or its agents apply to all consumers, not just to senior consumers; requires recommendations for the purchase or exchange of annuities to be based on reasonable grounds to believe that the recommendation is suitable for the consumer and is beneficial to the consumer; increases the period of time from 14 to 21 days that an unconditional refund must remain

available with respect to certain annuity contracts; makes such unconditional refunds available to all prospective annuity contract buyers without regard to the buyer's age; and requires insurers to adequately supervise annuity agents and transactions.

**HB 665** **Relating to Licensure by Office of Financial Regulation** – *Effective date October 1, 2013.*

This bill authorizes, rather than requires, the Office of Financial Regulation to deny a mortgage broker license application if the applicant's mortgage broker license in another state was revoked. It also revises the fingerprint requirements for securities and money services business applicants.

**HB 667** **Relating to Real Estate Brokers & Appraisers** - *Effective upon becoming a law.*

The bill amends Chapter 475 to comport with policies of the Appraisal Subcommittee of the Federal Financial Institutions Examination Council and the Appraisals Qualifications Board. It also provides that a disciplinary action against a primary broker's license also will apply to other licenses that he held at the time the final order becomes effective.

**HB 783** **Relating to Branch Offices Conducting Securities Transactions** – *Effective date October 1, 2013*

This bill removes authority of the Office of Financial Regulation to grant or deny applications for registration of branch offices of securities dealers and investment advisers and provides instead for notice filing with the Office of Financial Regulation when branch offices are opened.

**JUDICIARY**

**SB 718** **Relating to Family Law; Alimony and visitation.** – *Vetoed by the Governor on May 1, 2013.*

The bill redefines the term "marital assets and liabilities" for purposes of equitable distribution in dissolution of marriage actions; provides for the priority of bridge-the-gap alimony, followed by rehabilitative alimony, over any other form; provides that the person seeking alimony has the burden of proof of demonstrating need and the other party's ability to pay; creates a rebuttable presumption that both parties would have a lower standard of living after the dissolution; changes the duration of marriage definitions from 0-7 years (short-term), 7 to 17 years (moderate-term), 17 and over (long-term), to 0-11, 11-20 and over 20; creates a rebuttable presumption against awarding alimony for a short-term marriage, no presumption for a mid-term marriage, and a

presumption in favor of an award in a long-term marriage; limits an award of alimony to 25 percent of payer's gross monthly income and 40 percent during temporary period; provides that the income and assets of a paying spouse's subsequent spouse or person with whom the paying spouse is residing are generally not relevant to modifications; and provides that equal time-sharing with minor children is in the best interest of the child unless the child would be endangered, the distance between parental residences is impracticable, or domestic violence has occurred.

**HB 7015**      **Relating to Expert Testimony** – *Effective date July 1, 2013.*

This bill amends the Florida Evidence Code to adopt a variation of the *Daubert* standard regarding expert witness testimony, thereby rejecting the *Frye* standard previously applied by Florida courts. Under the new standard, a witness qualified as an expert by knowledge, skill, experience, training, or education may testify in the form of an opinion if it is based on sufficient facts or data; is the product of reliable principles or methods; and the witness has applied the principles or methods reliably to the facts at issue in the case.

**EDUCATION**

**SB 1076**      **Relating to K-20 Education** - *Signed by Governor April 22, 2013;*  
*Effective date July 1, 2013; Chapter No. 2013-27.*

This bill provides for comprehensive K-20 career and education planning. It substantially rewords the student assessment program for public schools; provides requirements for industry certifications, an industry certification funding list, and a postsecondary industry certification funding list for distribution of funding to school districts and Florida College System institutions; creates the preeminent state research universities program; establishes the Complete Florida Degree program; and revises the formula upon which performance funding for state universities is based and awarded.

## Budget Summary

After several years of declining state revenues, recent collections and estimates are up and state economists predict tax collections will grow 4% throughout the 2013-2014 fiscal year, an increase of \$1 billion over the current fiscal year. With that positive economic outlook, lawmakers crafted the FY 2013-14 Budget with funding increases rather than reductions. The Legislature passed the final \$74.5 billion budget on Friday, May 3rd, while increasing reserves by approximately \$900 million to \$2.8 billion.

Lawmakers funded raises for teachers (\$480 million), one of Governor Scott's top legislative priorities. State workers also got a raise (\$213 million) for the first time in six years. Funding for higher education (\$300 million) and K-12 (\$1.3 billion) was increased, and Governor Scott got the tax exemption on the purchase of equipment used in manufacturing, his other top priority. The Sales Tax Holiday was also approved, providing for a three-day sales tax holiday beginning August 2, exempting clothing, school supplies, and personal computers for non-commercial use.

Below is a section by section summary of the 2013-14 FY State Budget:

**Total Budget: \$74.5 billion (\$26.8 billion General Revenue; \$47.7 billion Trust Fund)**

Total Reserves: \$2.8 billion

- \$1.4 billion Working Capital
- \$214.5 million to repay Budget Stabilization Fund (third of five payments)
- \$708.3 million Budget Stabilization Fund
- \$499.3 million Lawton Chiles Endowment Fund

*(Total Reserves as a Percentage of General Revenue: 9.7%)*

### **EDUCATION**

Total: \$18.5 billion (\$14.2 billion GR; \$4.3 billion TF)

Total Funding – Including Local Revenues: \$28 billion (\$18.4 billion state; \$9.6 billion local)

#### **Early Learning Services**

Total: \$1 billion (\$557.1 million GR; \$448.2 million TF)

#### **Public Schools/K12 FEFP**

Total Funding: \$18.3 billion (\$10.5 billion state funds; \$7.8 billion local)

- FEFP Increase is \$1.1 billion or 6.12%
- Enrollment Workload Increase – \$70 million
- Instructional Personnel Salary Increase – \$480 million
- \$250 per teacher for supplies



**State University System**

Total: \$4.0 billion (\$2 billion GR; \$239.8 million TF; \$1.8 billion tuition/fees)

- Return Universities to Prior Year Funding Levels – \$300 million
- Performance Funding for High Demand Programs – \$65 million GR
- University Research Preeminence – \$30 million GR (UF and FSU)

**Private Colleges**

Total: \$116.4 million GR

- Florida Resident Access Grant (FRAG) - \$2500 per student for FRAG eligible colleges before 2010 and \$2071 per student for institutions FRAG eligible after 2010

**HEALTH AND HUMAN SERVICES**

Total: \$31,144.2 million (\$7,836.8 million GR; \$23,307.4 million TF)

- Nursing Home Care – 2% Increase – \$235. Million (\$54.3 million GR, \$180.7 TF)
- Medicaid Price Level and Workload – \$32.8 million GR; \$933.4 million TF
- Increased Rates for Primary Care Practitioners— \$677.7 million
- DRG’s Transitional Funding – Hospital Reimbursement Adjustment – \$88 million
- Graduate Medical Education (GME) Statewide Medicaid Residency Program — (270 residents at \$100,000/resident) \$80 million
- Resolve Home/Community Based Services Waiver Current Year Deficit— \$17 million GR; \$23.2 million TF
- Serve Additional Clients through the Home/Community Based Services Waiver (approximately 1,000 clients) — \$15 million GR; \$21.3 million TF
- Increase Community Based Mental Health and Substance Abuse Treatment Funding— \$23.2 million GR; 9.2 million TF
- Children’s Community Mental Health/Substance Abuse Action Team Pilot Programs— \$4.7 million GR; \$2.1 million TF
- Cancer Research Endowments— \$3.3 million GR – Shands Hospital; \$3.3 million GR - Moffitt Cancer Center; and \$3.3 million GR - Sylvester Cancer Institute
- Heart Institute at the University of South Florida— \$2.6 million TF
- Program for the All Inclusive Care for the Elderly (PACE)— an additional 325 slots funded

**TRANSPORTATION, TOURISM AND ECONOMIC DEVELOPMENT**

Total: \$11.3 billion (\$174.2 million GR; \$11.1 billion TF)

- Transportation Work Program – \$8.67 billion TF
  - Intrastate and Arterial Highway Construction – \$3.6 billion TF
  - Right-of-Way Land Acquisition – \$725 million TF
  - Seaport Development Grants – \$243 million TF

- Rail Development Grants – \$184 million TF
  - Intermodal Development Grants – \$52 million
  - Public Transit Development Grants – \$421 million TF
  - Bridge Construction – \$290 million TF
  - County Transportation Programs (Including SCRAP & SCOP) – \$152 million TF
  - Coast to Coast Connector Trail – \$50 million TF
  - Economic Development Road Fund – \$15 million TF
- Transportation Disadvantaged Funding - \$111 million in GR and TF dollars, which is roughly a \$12.6 million increase over last year to fund transportation for the elderly, medically fragile, and underprivileged. A study also included in proviso allocates \$200,000 to assess unmet need statewide for TD services and to review existing requirements for background screenings of direct providers was also passed in proviso.
  - Economic Development Partners – \$106.6 million
    - Enterprise Florida – \$18.1 million
    - VISIT FLORIDA – \$63.5 million
    - Space Florida – \$19.5 million Institute for the Commercialization of Public Research – \$5.5 million
  - Economic Development Tools – Quick Action Closing Fund – \$45 million

**Affordable Housing Funding from Mortgage Settlement**

- \$25 million for reduced rent on new or existing rental units for the elderly through the State Apartment Incentive Loan Program (SAIL)
- \$25 million for reduced rent on new or existing rental units for individuals with disabilities through SAIL
- \$10 million for the construction or rehabilitation of units through SAIL
- \$40 million for the State Housing Initiative Program (SHIP)
- \$10 million to the Florida Housing Finance Corporation (FHFC) for competitive grants to provide housing for homeless persons
- \$10 million to the FHFC for competitive grants for housing projects targeting persons with developmental disabilities

**GENERAL GOVERNMENT**

Total: \$4.9 billion (\$591.9 million GR; \$4.4 billion TF)

- Everglades Restoration \$70 million TF (includes \$32m in CS/HB 7065)
- Springs Protection \$10 million
- Land Acquisition for Military Buffers \$10 million
- Land Acquisition \$10 million GR and \$50 million from Surplus Land Proceeds

- Beach Restoration \$37.5 million (\$18.2m GR and \$19.2 million TF, includes reversions)
- Water Projects \$59.5 million
- Hybrid Wetlands Treatment Project \$5.5 million
- State Parks Maintenance & Repairs \$19.5 million
- Petroleum Tanks Cleanup Program \$125 million
- Water Conservation and Best Management Practices \$3.3 million

*\* Budget details provided by Florida House and Senate staff analyses.*

### **Major Budget Conforming Bills**

In years past, the Legislature inserted major pieces of legislation in what are called conforming bills. The original intent of these bills were to conform statutes to changes in the annual state budget. Lawmakers were fond of passing legislation in conforming bills due to many reasons, including the unique process these bills travel through the Legislature. Conforming bills are part of the budget conference process, so they do not travel through committees for public scrutiny and the amendatory process, but rather are created behind closed doors and accepted during various offers between the House and Senate, limiting their exposure to lawmakers and the public. Once the bills are agreed to during conference, they cannot be amended.

In previous Sessions, 40-plus conforming bills were passed, many containing changes in general law not vetted by the vast majority of lawmakers. This year, however, House and Senate leaders limited the number (15) and content of bills to strictly adhere to budget items. Below are the major conforming bills passed this Session.

#### **SB 1512 - Clerks of Court**

The bill removes the clerks of court budget from the state budget and increases revenues to allow the clerks to be fully funded similar to the status prior to 2009.

It also provides a specific amount of collected revenues for the clerks to spend for the period beginning July 1, 2013, and requires the budget to be approved by the Legislative Budget Commission by October 1st of each year beginning in 2014.

#### **SB 1520 - Medicaid**

The bill deletes current law that directs the Agency for Health Care Administration (AHCA) to set inpatient hospital rates based on allowable costs. It requires the use of diagnosis-related groups (DRGs) for inpatient hospital reimbursement, implementing the

methodology passed last Session, and allows DRG reimbursement to be modified under the state budget which appropriates \$88 million for the transition to DRGs. In a related budget item, the Legislature agreed to lower the percentage of Inter Governmental Transfers (IGTs) diverted from 45% to 10% during budget conference. The IGT diversion will redistribute 10% of the federal and local tax dollars from the public safety net hospitals which generate the local funds, to hospitals statewide.

The bill also creates the Statewide Medicaid Residency Program in AHCA. For this program, graduate medical education (GME) dollars related to Medicaid are removed from regular hospital reimbursement payments and instead will be subject to a formula-based distribution. Each hospital participating in the program will receive an annual allocation determined by a calculation of the hospital's percentage of total residents and the hospital's percentage of total Medicaid inpatient reimbursement.

Lastly, SB 1520 revises current county Medicaid contribution methodology after both chambers reached a compromise with the Governor and counties. The provisions include:

- Basing county contribution percentages on 2012-13 actual collections for the first two years and then transitioning to percentages based on county Medicaid enrollees over 5 years.
  - Year 1: Sets the total county contribution at \$269.6M using a 100% utilization-based formula
  - Year 2: Sets the total county contribution at \$277M using a 100% utilization-based formula
  - Years 3-7: Grows the total county contribution at 50 percent of growth in state Medicaid expenditures and transitions from a utilization- to an enrollment-based formula.

### **SB 1514 - Education Funding**

SB 1514 conforms statutes to specific appropriations in the budget which include authorizing school districts and virtual charter schools to provide virtual courses for a student in the summer for course completion when the student does not complete the virtual course by the end of the regular school year. It also allows full-time and part-time school district virtual instruction programs and removes limitations to students taking virtual courses in another school district.

### **SB 1516 - Corporate Income Tax**

The bill provides for the following:

- **Florida's Corporate Income Tax Code.** Florida's corporate Income Tax Code uses the federal Internal Revenue Code as the starting point for determining a corporation's income for Florida corporate income tax purposes. The bill updates the Florida corporate Income Tax Code by adopting the Internal Revenue Code as in effect on January 1, 2013.
- **American Taxpayer Relief Act of 2012.** The American Taxpayer Relief Act of 2012 granted extraordinary deductions for capital asset expensing and depreciation. Similar to past treatment, the bill requires Florida taxpayers to spread the benefit of these deductions over a 7-year period.

### **SB 1720 - Relating to Education**

The bill gives the Board of Governors stronger oversight authority over state universities in regard to laws, rules, and regulations; and creates a new Office of K-20 Articulation in the Department of Education to support the work of the Higher Education Coordinating Council; and revises membership and duties of the council.

For education accountability purposes, the bill establishes dates by which private postsecondary institutions must report data to the Commission for Independent Education and nonprofit independent colleges and universities must report data to the Department of Education.

*\* Portions of conforming bill summaries provided by Florida House and Senate staff analyses.*

*Major Legislation That Failed to Pass the 2013 Session*

**SB 316/HB 7097 - Internet Sales Tax**

The bills would have amended Florida's tax laws related to sales by out-of-state retailers, the communication services tax, and the sales tax exemption for manufacturing and equipment. The Department of Revenue would have been required to develop a tracking system to determine the amount of additional sales tax collected due to the provisions in the bill, and the Legislature would have had to use the information to provide tax relief by reducing the communication services tax and implementing a three day sales tax holiday.

The Revenue Estimating Conference determined that the reduction in the communication services tax rate would have decreased revenues by approximately \$121.6 million on a recurring basis, with an additional \$20.5 million recurring loss to local governments. Staff estimated that the manufacturing sales tax exemption would have decreased revenues by approximately \$115 million on a recurring basis, with an additional \$26 million recurring loss to local governments.

**HB 321/ SB 1716 - Impact Fee Moratorium**

HB 321/SB 1716 would have exempted new commercial development under 6,000 square feet from having to comply with impact fee, transportation concurrency or proportionate share requirements for three years. The exemption would have been from July 1, 2013, through June 30, 2016. The exemption would have not applied to new development if revoked by a majority vote of the local government, altered a local government's financing contracts or bonds, or if the developer elected to not have the exemption applied. The bills died in committee.

**SB 458/HB 1399 - Firefighter and Police Pension Reform**

Once again the Legislature's attempt to assist local governments in reigning in the costs of police and firefighter pensions failed to pass. The bill would have substantially changed how insurance premium tax revenues must be used in the funding of firefighter and police officer pension plans, and specified how those revenues must be used. Municipalities with high unfunded liabilities seeking fiscal relief will continue to rely on the "City of Naples letter" that allows premium taxes to be used to pay down unfunded liabilities rather than expanded pension benefits.

**SB 646/ HB 1319 - Assisted Living Facilities (ALFs)**

A bill that would have imposed tighter regulations on the state's assisted living facilities failed final passage after an attempt to hear the bill in the House failed on the last day.

The bills sought regulatory reform of ALFs after a series of reports by *The Miami Herald* prompted a Miami-Dade grand jury to investigate conditions at certain facilities. Lawmakers have attempted reform for more than two years following a grand jury investigation which uncovered widespread abuses. SB 646/HB 1319 would have strengthened the enforcement of current regulations for ALFs by revising fines imposed for licensure violations, clarifying existing enforcement tools, and requiring an additional inspection for facilities with significant violations. The bills died in messages.

### **HB 867/SB 862 - Parent Empowerment in Education**

SB 862/HB 867 “Parent Trigger” bill would have provided a petition process for parents to participate in the district school board’s determination of a turnaround option, when a school is subject to intervention on the basis of poor academic performance. The parents’ turnaround plan would have been subject to the school district’s final decision.

The House passed its bill narrowly (68-51) midway through Session, but the Senate failed to pass the measure during the last week on an unexpected, dramatic 20-20 vote with six Republicans joining 14 Democrats voting against the bill, killing the measure for this year.

### **SB 1132/HB 7127 - Transportation Package**

HB 7127, which was the omnibus transportation bill for 2103, failed to pass in the last hours of Session as it got caught up in the debate on provisions regarding a local referendum creating an optional local tax for the renovation of the Miami Dolphins’ Sun Life Stadium in South Florida. The House refused to take up the stadium provisions in the bill and it died in Senate messages. The bill included a myriad of provisions FDOT sought this session.

### **SB 1816 Healthcare/HB 7169 Healthy Choices - Medicaid Expansion**

The Negron alternative Medicaid expansion plan (SB 1816), which would have provided health insurance to over 1 million uninsured Floridians, was voted down along party lines (45 Yeas, 74 Nays) in the House late in Session, with the exception of Representative Fasano (R-New Port Richey). Rep. Fasano offered the Senate plan as an amendment to HB 7169, and was the only Republican to vote for the Negron plan in the House.

SB 1816 offered much broader coverage to the uninsured - up to 138% of the Federal Poverty Level (FPL) - and was expected to draw down \$51 billion in federal funding over 10 years. In contrast, the House plan (HB 7169) by Rep. Corcoran (R-Lutz), was much more limited, would have only applied to parents and individuals with disabilities under 100% of FPL who are not already eligible for Medicaid. HB 7169 would have provided coverage for an additional 115,000 Floridians, but because it would draw down federal

dollars targeted for Medicaid Expansion it would require \$25 million in state funding annually.

### **HB 7011/ SB 1392 - FRS Pension Reform**

Pension reform for state employees was one of the five stated priorities for both Senate President Gaetz and House Speaker Weatherford at the outset of Session. According to Senate leadership, Speaker Weatherford asked for an up or down vote in the Senate on his version of pension reform, which would have placed all new state employees in a 401(k)-style investment plan after January 1, 2015. The House plan failed on the Senate floor by an 18-22 vote.

The Senate counterpart, SB 1392, would have required only new Elected Officers' Class and Senior Management Service Class members to join the Investment Plan after July 1, 2014. It also would have changed the default for members who did not affirmatively choose a plan from the Pension Plan to the Investment Plan.

### **HB 7109 - Local Business Tax**

The bill's purpose would have been to replace the current local business tax structure in Chapter 205, F.S., with a simplified version of the tax that is more consistent across various business types by:

1. Establishing a uniform classification system.
2. Establishing a flexible rate structure.
3. Grandfathering certain local taxing jurisdictions to allow taxation under the current structure to continue under specified circumstances.
4. Eliminating "overlap" of city and county taxes.
5. Retaining current local administration of the tax.
6. Providing that the new structure becomes effective October 1, 2014, providing for a transition process from the current structure to the new structure, and allowing taxing jurisdictions to replace the revenues raised under the prior system.

The local business tax issue was not a priority of the Senate this year and HB 7109 died in committee.

### **HB 7123 - Claims Bill Reform**

The House Select Committee on Claims Bills voted to approve a proposed committee bill on a 5-3 vote after several amendments and spirited debate. The bill narrowly escaped being killed prior to introduction, so the prospects for passage were slim. The Senate did not take up the issue this year. The bill would have required an attorney representing a claimant on a claims bills to register as a lobbyist, required claims bills to be sponsored by a member of the local delegation in the principle location of the entity named in the



claim, and provided that a public entity which purchases insurance is only liable for the amount of the deductible and is not liable for any judgment in excess of the policy limits.

Municipalities, counties, and other political subdivisions of the state remained opposed to the bill despite the adopted amendments because of the increased caps in the bill of \$200,000 per individual/\$300,000 per incident to \$1 million per individual/\$1.5 million per incident. The existing caps would have stayed same for any claims brought against the state.

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**FLORIDA LEGISLATURE-REGULAR SESSION-2013  
 STATISTICS REPORT**

<b>SENATE BILLS</b>	<b>FILED</b>	<b>PASSED SENATE</b>	<b>PASSED BOTH CHAMBERS</b>
CONCURRENT RESOLUTIONS	4	0	0
RESOLUTIONS(ONE CHAMBER)	75	64	0
GENERAL BILLS	816	160	117
LOCAL BILLS	22	0	0
JOINT RESOLUTIONS	8	0	0
MEMORIALS	8	3	2
<b>TOTALS</b>	<b>933</b>	<b>227</b>	<b>119*</b>

<b>HOUSE BILLS</b>	<b>FILED</b>	<b>PASSED HOUSE</b>	<b>PASSED BOTH CHAMBERS</b>
CONCURRENT RESOLUTIONS	3	1	1
RESOLUTIONS(ONE CHAMBER)	73	69	0
GENERAL BILLS	776	202	142
LOCAL BILLS	44	25	24
JOINT RESOLUTIONS	6	0	0
MEMORIALS	14	5	0
<b>TOTALS</b>	<b>916</b>	<b>302</b>	<b>167*</b>

<b>SENATE AND HOUSE BILLS</b>	<b>FILED</b>	<b>PASSED FIRST CHAMBER</b>	<b>PASSED BOTH CHAMBERS</b>
CONCURRENT RESOLUTIONS	7	1	1
RESOLUTIONS(ONE CHAMBER)	148	133	0
GENERAL BILLS	1592	362	259
LOCAL BILLS	66	25	24
JOINT RESOLUTIONS	14	0	0
MEMORIALS	22	8	2
<b>TOTALS</b>	<b>1849</b>	<b>529</b>	<b>286*</b>