STATE / LOCAL WEEKLY REPORT

March 10 - March 14, 2014

STATE LEGISLATIVE ISSUES

Miami-Dade Mayor Carlos Gimenez and Commission Chairwoman Rebeca Sosa Visit Tallahassee

Source: OIA/Dade Delegation Office

Miami-Dade County Mayor Carlos Gimenez and Commission Chairwoman Rebeca Sosa visited the Capitol this week to meet with executive and legislative leaders regarding county priorities for the 2014 session and a new set of regional legislative goals.

Chairwoman Sosa made headway on Miami-Dade County's agenda through her meetings with Delegation members and legislative leaders on Wednesday. She also met with Attorney General Pam Bondi and Agriculture Commissioner Adam Putnam. Both Mayor Gimenez and Chairwoman Sosa were able to visit with new Lieutenant Governor and former Delegation Chairman Carlos Lopez-Cantera.

On Thursday, a joint gathering of the mayors of Miami-Dade, Broward, and Palm Beach counties took place, which included the chairmen of the respective delegations. The focus of discussion was the Southeast Florida Mayors' Legislative Compact, which was ceremoniously agreed to by the mayors. The agreed upon regional priorities are based on common regional interests. During the discussion, tri-county legislative members expressed their desire to work together and produce results for the region.

Bills this Week / Analysis

Source: Jess McCarty (CAO)

SB 102; HB 183 - Aaron Cohen Act/Leaving the scene of an accident - Resolution No. R-261-13/County Priority

Thursday, the Senate Appropriations Committee recommended favorably SB 102 by a 17-0 vote. SB 102 by Senator Miguel Diaz de la Portilla (R – Miami) is the Aaron Cohen Life Protection Act and imposes a 4-year mandatory minimum sentences and a 3-year minimum drivers license revocation for leaving the scene of a crash, including crashes involving pedestrians, bicyclists and other vulnerable road users.

SB 102 has been placed on the Special Order calendar for the Senate floor (2nd of 3 readings) forThursday, March 20.

The House companion bill, HB 183 by Rep. Bryan Nelson (R – Apopka), has passed 2 of its 4 committees of reference.

The Board adopted Resolution No. R-261-13 in April, 2013 urging the passage of legislation making it a second degree felony, with a mandatory minimum terms of imprisonment, for a driver to leave the scene of a crash that resulted in the injury of any person (included below). In January, the Board identified passage of this pair of bills as a County priority.

SB 0102 Relating to Drivers Leaving the Scene of a Crash (Diaz de la Portilla)

Actions

SENATE Placed on Special Order Calendar, <u>03/20/14</u> - If Received SENATE Favorable with CS by Appropriations

RE: SB 528 - Transient sexual predator/offender reporting; HB 7015 - Florida GI bill - update

<u>HB 7015 - Florida GI bill:</u> The full Senate, on Tuesday, passed HB 7015 re: military and veteran support by a vote of 38-0. The House had passed HB 7015 last week. HB 7015 now goes to the Governor.

Here's a link to the final enrolled version of HB 7015: http://static.lobbytools.com/bills/2014/pdf/7015ER.pdf. The Governor has 7 days to act on the bill while the Legislature is in session.

The Board of County Commissioners adopted Resolution No. R-251-14 at the March 4 BCC meeting which urged the Legislature to pass HB 7015 (included in the email below).

<u>SB 528 - Transient sexual predator/offender reporting every 30 days:</u> The full House, on Tuesday, heard SB 528 re: sex offenses on second reading. The Senate had passed SB 528 last week by a vote of 40-0.

SB 528 includes language requiring transient sexual predators and offenders to report to the county Sheriff's Office (in our case Miami-Dade Police Dept) within 48 hours of establishing a transient residence in a county and then every 30 days thereafter. It's a 3rd degree felony for a transient predator or offender to fail to comply with these reporting requirements.

The House replaced a large part of SB 528 with an amendment, but the transient reporting language remains in place. Here's a link to the amendment the House adopted to SB 528 today (the transient reporting language appears on page 14 starting at line 327):

http://static.lobbytools.com/bills/2014/pdf/0528C2634967.pdf

SB 528 as amended today is scheduled to be heard on 3rd reading on the floor of the House tomorrow. Because of today's House amendment, SB 528 will then need to bounce back to the Senate for passage there.

The transient reporting language is consistent with Resolution No. R-69-14 passed by the Board of County Commissioners on January 22 (included in the email below).

NEWS /POLICY NOTES

Florida House Budget Allocations

Source: Florida Current

House Speaker Will Weatherford, R- Wesley Chapel, released budget allocations to his various appropriations committees late Thursday. The Revenue Estimating Conference Wednesday said lawmakers will have about \$29. 5 billion in general revenue funds to build a 2014-2015 budget. The allocations sets how much money is directed towards each spending silo of the budget. It also focuses the remainder of the session on how the money in each silo will be spent.

Gov. Rick Scott has called for \$500 million in tax cuts and legislative leaders also intend to direct more money to state reserves. The House allocates a total of \$27.8 billion from the general revenue fund.

General revenue is the largest pot of money used for a state spending plan that also includes other fees, trust funds money and federal grants for a total state budget of nearly \$75 billion.

The allocations released Thursday directs the biggest portion of general revenue towards education with \$10.7 billion earmarked for the pre-k-12 school system and another \$3.5 billion for higher education.

Healthcare, primarily funded by federal funds, will receive only \$8.19 billion from the state's general revenue. Last year, health care received \$7.8 from general revenue, \$5.76 billion from state trust funds, and \$17.58 billion in federal funds.

Justice will receive \$3.84 billion. Last year, it received \$3.66 billion in general revenue for a total of \$4.44 billion.

Transportation and Economic Development, funded mainly through state trust funds, gets only \$136.3 million.

Agricultural and Natural Resources receive \$467 million in general revenue. Last year, it received \$311.5 million. Government Operations was allocated \$298 million, compared to

\$282.9 million in 2013-14.In the Senate, General Operations is combined with Agriculture and Natural resources into one segment, while the House separates the two segments.

Administered Funds for statewide issues, which includes fixed capital outlay for building and maintaining schools, also receives \$578.8 million.

The Senate will follow soon with its allocations of money. Eventually, the two chambers will resolve differences in their two plans.

Budget surplus expected to grow

Source: LobbyTools

Florida legislators already set to cut as much as \$500 million from existing taxes and fees found out Wednesday they will have more money than originally thought when they start to write next year's spending plan for the state.

State economists drew up a new estimate about how much money the state is expected to collect in taxes through 2017. The revised forecast shows a steady rate of growth in the economy and economists expect \$170.7 million more this fiscal year than was predicted in December. Lawmakers were already expecting a \$1 billion budget surplus.

"The Senate will utilized today's estimate to finalize the ongoing work in our Appropriations Subcommittees as our chairs collaborate with their committees to craft the Senate budget," said Sen. Joe Negron, R-Stuart, the Appropriations chairman.

GOP leaders had already said they wanted to use the expected budget surplus to pay for tax and fee cuts, including rolling back auto registration fees for the state budget year beginning in July 2014.

The revised forecast for fiscal year 2014-2015 predicts an additional \$1.4 billion in tax collections, an increase of 5.2 percent above the revised forecast for this year. The growth rate for 2015 - 2016 was left unchanged at 4.6 percent.

"There's a lot of stability in what we are doing right now," said Amy Baker, the state's chief economist.

Environmental Protection

Source: LobbyTools

The Florida Department of Environmental Protection says it will spend only \$110 million of its \$125 million appropriation on cleaning up petroleum contamination sites because of the process of transitioning to a new contractor bid program, according to *The Florida Current*.

The Senate Committee on Environmental Preservation and Conservation on March 13, 2014 passed SB 7084, a proposed committee bill which ratifies the new DEP rules. The bill was filed Thursday as SB 1674 and is filed in the House as HB 7089.

DEP Deputy Secretary Jeff Littlejohn told the committee he expects the department to carry over the remaining \$15 million unspent and for DEP to spend all of the \$125 million requested for fiscal year 2014-15.

"I know while this has been disruptive to the contracting community," he said. "I think they are starting to see some signs that we are in the new normal now and this new program is in gear and the pace of spending is picking up."

Representatives of the Florida Petroleum Council and the Florida Petroleum Marketers and Convenience Store Association expressed support in comments to *The Florida Current*.

"We know the department is going as fast as they can to get the money out the door," said Ned Bowman, executive director of the Florida Petroleum Marketers and Convenience Store Association.

Water Quality

Source: Florida Current

Gov. Rick Scott was joined by the Florida Department of Environmental Protection and Secretary Herschel T. Vinyard Jr. in Orlando on March 14, 2014 in announcing 11 wastewater and stormwater projects in Central Florida receiving more than \$27 million in state loans.

The department has committed \$263 million to projects in fiscal year 2013-14 through the Clean Water State Revolving Fund for projects across the state, according to a DEP spokeswoman.

Such decisions on loans in the past have not accompanied by an announcement from governors. Scott has made extra efforts in recent months to highlight environmental spending with the election looming in November.

Funded by federal grants, state matching funds, loan repayments and interest earnings, state revolving fund loans are offered at interest rates as low as 40 percent of the current market rate, the department said.

"Helping improve Florida's water quality is another step in the right direction towards making Florida the best state in the nation to live, work and raise a family," Scott said in the announcement that included statements of praise from Republican legislators in the region.

Property Insurance

Source: LobbyTools

A report released by the Perr&Knight insurance consulting firm on Thursday shows Florida's property insurance rates climbed by 11 percent in 2013, the second-highest increase in the country, after Oklahoma with 12.1 percent.

At first glance, the report would seem to contradict a recent analysis from Florida Insurance Commissioner Kevin McCarty showing that rates are "trending downward" in the state.

The discrepancy between the two reports is due to timing and the types of companies analyzed. The Perr&Knight report looked at 2013 rates based on 2012 rate filings from all companies in Florida, including state-run Citizens Property Insurance Corp. McCarty's report only focused on the 30 private companies in the state with the most policies and looked at 2013 rate filings that are just now hitting the market.

Most of the top companies received rate decreases this year, with Security First Insurance Co. receiving the largest at 9.2 percent. State Farm, the third-largest company in the state, however, received a rate increase. But after threatening to leave the state altogether in 2009 before settling for cancelling 125,000 policies and a large rate hike, State Farm has begun seeking new business in Florida this year, albeit on a "limited" basis.

Although McCarty's report shows rates "trending downward", they are starting at a great height. There have been eight straight years without a hurricane hitting Florida (there have been minor tropical storms), but rates have continued to jump each year. Florida's average rate of \$1,933 is the highest in the nation, and nearly double the national average of \$978, according to the National Association of Insurance Commissioners.

Part of the reason for the rate increases was higher reinsurance costs – insurance for insurance companies to hedge against major losses in a single year. But reinsurance costs have fallen dramatically over the last year, prompting Chief Financial Officer Jeff Atwater to write a letter to McCarty asking why rates for homeowners haven't fallen along with reinsurance rates. McCarty's report was the result.

The Perr&Knight report shows why Gov. Rick Scott and lawmakers didn't jump on McCarty's analysis, bragging to voters their policies are bringing rates down. Again, McCarty's report didn't include Citizens, the largest company in the state, whose customers will see a statewide average increase of more than 6 percent this year. The "statewide average" term is key as well – many people around the state continue to see rate hikes. Plus, even those with lesser rates won't see them until they renew their policies this year.

In other words, homeowners are still reeling from years of rate hikes following the 2004 and 2005 hurricane seasons, when a series of storms swept across the state. One major hurricane this year would likely see a return of rate increases for most private companies.

Education / Common Core

Source: Florida Current

With proposals to suspend the new state standards not being heard in the Legislature, Common Core opponents are changing course and pressuring Gov. Rick Scott, according to <u>The Tampa Bay Times</u>.

Legislation from Rep. Debbie Mayfield, R-Vero Beach, and Sen. Greg Evers, R-Crestview, would prevent the implementation of standards until hearings have been held and a financial analysis has been completed by the Department of Education. HB 25 and SB 1316 have yet to be taken up by a committee.

While Scott and education officials have made changes, the tweaks to the benchmarks and renaming them 'Florida Standards' did not satisfy the opposition.

On March 9, 2014, about 80 members of Florida Parents Against Common Core protested outside of a fundraiser for Scott on Jupiter Island.

Laura Zorc, a co-founder of the group says that challengers of the benchmarks are primarily Republican and conservation voters. Scott "needs to be concerned," she said.

Announcements:

Miami-Dade College Trustees appointments

Gov. Rick Scott has appointed Bernardo Navarro, 40 of Miami to the Miami-Dade College District Board of Trustees. Navarro is president of Benworth Capital Partners LLC. He received a bachelor's degree from the University of Miami and a master's from Harvard University. Navarro succeeds Marielena Villamil for a term ending May 31, 2016.

The governor also announced he has reappointed Armando Bucelo Jr., of Coral Gables and Helen Aguirre Ferre of Miami Shores to the Board. Bucelo is an attorney with Zumpano Castro LLC and is appointed to a term ending May 31, 2016. Ferre, 55, is a national radio host with Univision America Radio a columnist for the Miami Herald. She is appointed to a term ending May 31, 2016.

Late Governor Reubin Askew

The body of the late Gov. Reubin Askew will lie in state at the old Capitol as part of a series of memorials.

Askew, who served as governor from 1971 to 1979, died Thursday.

Askew will lie in state next Tuesday at the Old Capitol from 10 a.m. to 6 p.m. Top state officials, including Gov. Rick Scott, are scheduled to be on hand.

A memorial service for Askew will be held at 2 p.m. Wednesday at Faith Presbyterian Church in Tallahassee. The church has seating for more about 700 people. Askew's burial will be buried Friday, in Pensacola with full military honors. A graveyard service will be held at 11 a.m. Central Time at Bayview Memorial Park on US 90 East.

Askew rose from obscurity to become the Democrats' surprise gubernatorial nominee in 1970. His eight years in office coincided with the end of the Vietnam War, Watergate and dramatic social change across the nation. However, Askew is considered a pivotal figure in Florida history for his promotion of racial reconciliation, personal ethics and transparency in government.

2014 Legislative Session Dates

March 4, 2014 Legislative Session Convenes

Bill Filing Deadline - 12:00 pm

May 2, 2014 Legislative Session Scheduled to Conclude

Fly-In Dates

Florida Association of Counties (2014 Legislative Day)

March 27, 2014

Film Florida (Rally in Tally 2014)

March 26, Capitol Building, Tallahassee, Florida.

Show the Florida legislation that the Film, Entertainment, and Digital Media Industry is in need of their support.

Florida League of Cities (Legislative Action Days)

April 1 - April 2, 2014

Miami Dade County Days

April 2-April 3, 2014