

MEMORANDUM

Agenda Item No.11(A)(8)


TO: Honorable Chairwoman Audrey M. Edmonson
and Members, Board of County Commissioners

DATE: April 7, 2020

FROM: Abigail Price-Williams
County Attorney

SUBJECT: Resolution opposing provisions
in House Bill 7097 that would (i)
restructure the authorized uses of
tourist development tax and local
option food and beverage tax
revenues in Miami-Dade County;
and (ii) redirect such revenues
from the Greater Miami
Convention and Visitors Bureau
to certain water quality
improvement and environmental
projects

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Chairwoman Audrey M. Edmonson and Co-Sponsors Commissioner Sally A. Heyman and Commissioner Eileen Higgins.



Abigail Price-Williams
County Attorney

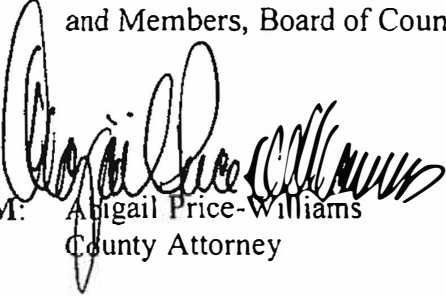
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MEMORANDUM
(Revised)

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Please note any items checked.

- "3-Day Rule" for committees applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Statement of social equity required
- Ordinance creating a new board requires detailed County Mayor's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's present ____, 2/3 membership ____, 3/5's ____, unanimous ____, CDMP 7 vote requirement per 2-116.1(3)(h) or (4)(c) ____, CDMP 2/3 vote requirement per 2-116.1(3)(h) or (4)(c) ____, or CDMP 9 vote requirement per 2-116.1(4)(c)(2) ____) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 11(A)(8)
4-7-20

RESOLUTION NO. _____

RESOLUTION OPPOSING PROVISIONS IN HOUSE BILL 7097 THAT WOULD (I) RESTRUCTURE THE AUTHORIZED USES OF TOURIST DEVELOPMENT TAX AND LOCAL OPTION FOOD AND BEVERAGE TAX REVENUES IN MIAMI-DADE COUNTY; AND (II) REDIRECT SUCH REVENUES FROM THE GREATER MIAMI CONVENTION AND VISITORS BUREAU TO CERTAIN WATER QUALITY IMPROVEMENT AND ENVIRONMENTAL PROJECTS

WHEREAS, House Bill (HB) 7097 has been filed for consideration during the Florida Legislature’s 2020 session by the House Ways and Means Committee, chaired by Representative Bryan Avila (R – Hialeah); and

WHEREAS, HB 7097 is the House tax package—a large, multi-part bill governing numerous taxes under Florida law, including sales tax and surtaxes, corporate income tax, food and beverage tax, convention development tax, tourist development tax, communications services tax, aviation fuel tax, and property taxes; and

WHEREAS, HB 7097 contains several provisions of particular concern to Miami-Dade County; and

WHEREAS, specifically, the bill would rename the 2 percent food and beverage tax under section 212.0306(1)(a), Florida Statutes, in Miami-Dade County the “Local Option Coastal Recovery and Resiliency Tax” and would further, after completion of any existing project or contract, redirect revenues from the Greater Miami Convention Visitors Bureau (“GMCVB”) to certain water quality improvement and environmental projects, including:

- flood mitigation;
- seagrass or seaweed removal;

- algae control, cleanup, or prevention measures;
- Biscayne Bay and waterway network restoration measures;
- septic to sewer conversion projects intended to prevent, mitigate, or address damage to the surface water quality important to the tourism industry of the jurisdiction;
- erosion control;
- mangrove protection;
- removal of invasive plant and animal species;
- beach nourishment;
- purchase of land for conservation purposes; and
- coral reef protection; and

WHEREAS, under current Florida law, the revenues raised by the food and beverage tax are to be used to fund a countywide convention and visitors bureau with the primary responsibility of promoting the County and its cities as business and pleasure destinations; and

WHEREAS, the GMCVB is the organization currently meeting this criteria, and as such, is budgeted to receive approximately \$8,031,000 in food and beverage tax revenues Miami-Dade County will realize in State Fiscal Year 2019-2020; and

WHEREAS, the diversion of revenues away from the GMCVB to various water quality improvement and environmental projects, as proposed in HB 7097, will result in the loss of a significant funding source for the GMCVB and, as a result, potentially impede the GMCVB's ability to promote tourism in Miami-Dade County and its various municipalities; and

WHEREAS, additionally, HB 7097 would expand the uses of tourist development tax revenues statewide to include various water quality improvement projects, and would further limit the uses of tourist development tax revenues in Miami-Dade County, after completion of any existing project or contract, as follows:

- 50 percent distributed back to the city where the revenues were raised or Miami-Dade County for the unincorporated areas to:
 - promote or advertise tourism, through direct expenditures by the jurisdiction or through an interlocal agreement with the GMCVB;
 - reimburse expenses incurred in providing public safety services related to tourism, like emergency medical or law enforcement services, provided that such revenues may not supplant the normal operating expenses incurred for such services; or
 - finance certain public facility infrastructure projects within limitations, if the public facilities are needed to increase tourist-related business activities in the county and are recommended by the county tourist development council;
- 20 percent distributed to the County to promote opportunities for artists and cultural organizations; and
- 30 percent distributed to the County to be used for the water quality improvement projects set forth above under the food and beverage tax; and

WHEREAS, based on the County's budget for Fiscal Year 2019-20, 60 percent of the estimated \$32,464,000 in tourist development tax revenues for 2019-20 were budgeted for distribution to the GMCVB; and

WHEREAS, accordingly, these provisions of HB 7097, if they were to become law, would result in a negative fiscal impact to the GMCVB of approximately \$27 million—\$19 million from tourist development tax revenues and \$8 million from food and beverage tax revenues; and

WHEREAS, the GMCVB is instrumental in promoting Miami-Dade County and its cities as desirable business and pleasure destinations and relies heavily on funding from tourist development tax and food and beverage tax revenues, so diluting such revenues or redirecting them away from the GMCVB will potentially negatively affect tourism in Miami-Dade County; and

WHEREAS, accordingly, this Board wishes to express its opposition to the aforementioned provisions in HB 7097,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board:

Section 1. Opposes the aforementioned provisions in HB 7097 that would (i) restructure the authorized uses of tourist development tax and local option food and beverage tax revenues in Miami-Dade County; and (ii) redirect such revenues from the Greater Miami Convention and Visitors Bureau to certain water quality improvement and environmental projects.

Section 2. Directs the Clerk of the Board to transmit a certified copy of this resolution to the Governor, Senate President, House Speaker, Representative Bryan Avila, and the Chair and remaining members of the Miami-Dade State Legislative Delegation.

Section 3. Directs the County's state lobbyists to advocate against the legislative provisions set forth in section 1 above, and authorizes and directs the Office of Intergovernmental Affairs to amend the 2020 State Legislative Package to include this item.

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The Prime Sponsor of the foregoing resolution is Chairwoman Audrey M. Edmonson and the Co-Sponsors are Commissioner Sally A. Heyman and Commissioner Eileen Higgins. It was offered by Commissioner _____, who moved its adoption. The motion was seconded by Commissioner _____ and upon being put to a vote, the vote was as follows:

Audrey M. Edmonson, Chairwoman	
Rebeca Sosa, Vice Chairwoman	
Esteban L. Bovo, Jr.	Daniella Levine Cava
Jose "Pepe" Diaz	Sally A. Heyman
Eileen Higgins	Barbara J. Jordan
Joe A. Martinez	Jean Monestime
Dennis C. Moss	Sen. Javier D. Souto
Xavier L. Suarez	

The Chairperson thereupon declared the resolution duly passed and adopted this 7th day of April, 2020. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this Resolution and the filing of this approval with the Clerk of the Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

MJM

Michael J. Mastrucci