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# **Transportation & Economic Development Appropriations Subcommittee**

**Tuesday, March 22, 2011  
9:00 AM - 11:30 AM  
Reed Hall**

**Meeting Packet**

**Dean Cannon  
Speaker**

**Mike Horner  
Chair**



# **The Florida House of Representatives**

## **Appropriations Committee**

### **Transportation & Economic Development Appropriations Subcommittee**

**Dean Cannon**  
Speaker

**Mike Horner**  
Chair

**March 22, 2011**

**AGENDA**  
**9:00 AM – 11:30 AM**  
**Reed Hall**

**I. Call to Order/Roll Call**

**II. Consideration of Bills**

**CS/HB 601 Road and Bridge Designations**

**HB 639 Affordable Housing**

**PCB TEDAS 11-03 Department of Highway Safety and Motor Vehicles**

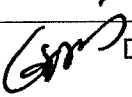
**III. Budget Workshop**

**IV. Adjourn**



## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** CS/HB 601 Road and Bridge Designations  
**SPONSOR(S):** Transportation & Highway Safety Subcommittee, Frishe and others  
**TIED BILLS:** IDEN./SIM. **BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Transportation & Highway Safety Subcommittee	15 Y, 0 N, As CS	Johnson	Brown
2) Transportation & Economic Development Appropriations Subcommittee		Davis 	Davis
3) Economic Affairs Committee			

### SUMMARY ANALYSIS

Section 334.071, F.S., provides for legislative designations of transportation facilities for honorary or memorial purposes, or to distinguish a particular facility. The legislative designations do not "officially" change the current names of the facilities, nor does the statute require local governments and private entities to change street signs, mailing addresses, or 911 emergency telephone-number system listings. The bill makes the following designations and directs the Department of Transportation to erect suitable markers for each of these designations:

- Sgt. Thomas J. Baitinger, Officer Jeffrey A. Yaslowitz, and Officer David S. Crawford Memorial Highway in Pinellas County.
- Edna S. Hargrett-Thrower Avenue in Orange County.
- SP4 Thomas Berry Corbin Memorial Highway in Dixie County.
- U.S. Navy BMC Samuel Calhoun Chavous, Jr. Memorial Highway in Dixie County.
- Marine Lance Corporal Brian R. Busing Memorial Highway in Levy County.
- United States Army Sergeant Karl A. Campbell Memorial Highway in Levy County.
- U.S. Army SPC James A. Page Memorial Highway in Levy County.
- Veterans Memorial Highway in Putnam County.
- Ben G. Watts Highway in Washington County.
- Mardi Gras Way in Broward County.
- West Park Boulevard in Broward County.
- Starke Memorial Drive in Duval County.
- Pembroke Park Boulevard in Broward County.
- Duval County Law Enforcement Overpass in Duval County.
- Verna Bell Way in Nassau County.
- Deputy Hal P. Croft and Deputy Ronald Jackson Highway in Union County.

The bill also corrects errors in the Miss Lillie Williams Boulevard and the Father Jean-Juste Street designations that passed in 2010.

The bill has an estimated negative fiscal impact of \$12,800 on the State Transportation Trust Fund, which is the cost to the Department of Transportation to erect the markers. This cost can be absorbed within the existing budget authority of the department.

The bill has an effective date of July 1, 2011.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

Section 334.071, F.S., provides for legislative designations of transportation facilities for honorary or memorial purposes, or to distinguish a particular facility. The legislative designations do not "officially" change the current names of the facilities, nor does the statute require local governments and private entities to change street signs, mailing addresses, or 911 emergency telephone-number system listings.

The statute requires the Department of Transportation (DOT) to place a marker at each termini or intersection of an identified road or bridge, and to erect other markers it deems appropriate for the transportation facility. The statute also provides that a city or county must pass a resolution in support of a particular designation before road markers are erected. Additionally, if the designated road segment extends through multiple cities or counties, a resolution must be passed by each affected local government.

#### Effect of Proposed Change

The bill makes the following honorary designations:

- State Road 687 in Pinellas County from I-275 to I-175 as "Sgt. Thomas J. Baitinger, Officer Jeffrey A. Yaslowitz, and Officer David S. Crawford Memorial Highway."
- That portion of Orange Blossom Trail between W. Gore Street and W. Church Street in Orange County as "Edna S. Hargrett-Thrower Avenue."
- That portion of U.S. Highway 19/27A/98/State Road 55 between the Suwannee River Bridge and N.E. 592<sup>nd</sup> Street/Chavous Road/Kate Green Road in Dixie County as "SP4 Thomas Berry Corbin Memorial Highway."
- That portion of U.S. Highway 19/98/State Road 55 between N.E. 592<sup>nd</sup> Street/Chavous Road/Kate Green Road and N.E. 170<sup>th</sup> Street in Dixie County as "U.S. Navy BMC Samuel Calhoun Chavous, Jr. Memorial Highway."
- That portion of State Road 24 between County Road 374 and Bridge Number 340053 in Levy County as "Marine Lance Corporal Brian R. Busing Memorial Highway."
- That portion of U.S. Highway 19/98/State Road 55/S. Main Street between N.W. 1<sup>st</sup> Avenue and S.E. 2<sup>nd</sup> Avenues in Levy County as United States Army Sergeant Karl A. Campbell Memorial Highway.'
- That portion of U.S. Highway 27A/State Road 500/Hathaway Avenue between State Road 24/Thrasher Drive and Town Court in Levy County as "U.S. Army SPC James A. Page Memorial Highway."
- That portion of State Road 19 in Putnam County between U.S. Highway 17 (State Road 15) and Carriage Drive in Palatka as "Veterans Memorial Highway."
- That portion of U.S. 90 in Washington County between the Jackson County line and the Holmes County Line at the Holmes Creek Bridge as the "Ben G. Watts Highway."
- That portion of State Road 824 between I-95 and U.S. Highway 1 in Broward County as "Mardi Gras Way."
- That portion of State Road 7 between Pembroke Road and County Line Road in Broward County as "West Park Boulevard."
- That portion of State Road 101/Mayport Road between State Road A1A and Wonderwood Connector in Duval County as "Stark Memorial Drive."
- That portion of State Road 858/Hallandale Beach Boulevard between I-95 and U.S. 441/State Road 7 in Broward County as "Pembroke Park Boulevard."
- The Interstate 295/State Road 9A overpass (Bridge Nos. 720256 and 720347) over Interstate 10/State Road 8 in Duval County as "Duval County Law Enforcement Memorial Overpass."

- That portion of State Road 200 between Lime Street and Beech Street in the City of Fernandina Beach in Nassau County as "Verna Bell Way."
- That portion of State Road 100 East between the Bradford County Line and the Columbia County Line in Union County as "Deputy Hal P. Croft and Deputy Ronald Jackson Highway."

The bill directs DOT to erect suitable markers designating each of the above designations.

The bill also amends the "Miss Lillie Williams Boulevard" and "Father Gerard Jean-Juste Street" designations which were created in 2010 in order to correct errors in the previous designations.<sup>1</sup>

The bill has an effective date of July 1, 2011.

**B. SECTION DIRECTORY:**

- Section 1 Designates Sgt. Thomas J. Baitinger, Officer Jeffrey A. Yaslowitz, and Officer David S. Crawford Memorial Highway; directs DOT to erect suitable markers.
- Section 2 Designates "Edna S. Hargrett-Thrower Avenue; directs DOT to erect suitable markers.
- Section 3 Designates the SP4 Thomas Berry Corbin Memorial Highway; directs DOT to erect suitable markers.
- Section 4 Designates the U.S. Navy BMC Samuel Calhoun Chavous, Jr. Memorial Highway; directs DOT to erect suitable markers.
- Section 5 Designates the Marine Lance Corporal Brian R. Busing Memorial Highway; directs DOT to erect suitable markers.
- Section 6 Designates the Army Sergeant Karl A. Campbell Memorial Highway; directs DOT to erect suitable markers.
- Section 7 Designates the U.S. Army SPC James A. Page Memorial Highway; directs DOT to erect suitable markers.
- Section 8 Designates the Veterans Memorial Highway; directs DOT to erect suitable markers.
- Section 9 Designates the Ben G. Watts Highway; directs DOT to erect suitable markers.
- Section 10 Designates Mardi Gras Way; directs DOT to erect suitable markers.
- Section 11 Designates West Park Boulevard; directs DOT to erect suitable markers.
- Section 12 Designates Starke Memorial Drive; directs DOT to erect suitable markers.
- Section 13 Designates Pembroke Park Boulevard; directs DOT to erect suitable markers.
- Section 14 Designates Duval County Law Enforcement Memorial Overpass, directs DOT to erect suitable markers.
- Section 15 Designates Verna Bell way, directs DOT to erect suitable markers.
- Section 16 Designates Deputy Hal P. Croft and Deputy Ronald Jackson Highway; directs DOT to erect suitable markers.

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<sup>1</sup> Ch. 2010-230, L.O.F.  
 STORAGE NAME: h0601a.TEDAS.DOCX  
 DATE: 3/21/2011

- Section 17 Amends section 24 of ch. 2010-230, L.O.F., amending the "Miss Lillie Williams Boulevard" designation.
- Section 18 Amends section 45 of ch. 2010-230, L.O.F., amending the "Father Jean-Juste Street." designation.
- Section 19 Provides an effective date.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None

2. Expenditures:

DOT will incur costs of approximately \$12,800 (from the State Transportation Trust Fund) for erecting markers for the designations. This is based on the assumption that two markers for each designation will be erected at a cost of \$400 per marker. This cost can be absorbed within the existing budget authority of the department. DOT will also incur the recurring costs of maintaining these signs over time, and for future replacement of the signs as necessary.

### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

None

### C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None

### D. FISCAL COMMENTS:

None

## III. COMMENTS

### A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable because the bill does not appear to require the counties or cities to spend funds or take an action requiring the expenditure of funds; reduce the authority that cities or counties have to raise revenues in the aggregate; or reduce the percentage of a state tax shared with cities or counties.

2. Other:

None

### B. RULE-MAKING AUTHORITY:

None

C. DRAFTING ISSUES OR OTHER COMMENTS:

Drafting Issues

None

Comments

Sgt. Thomas J. Baitinger and Officer Jeffrey A. Yaslowitz were St. Petersburg police officers killed in the line of duty on January 24, 2011.

Officer David S. Crawford was a St. Petersburg police officer killed in the line of duty on February 21, 2011.

Edna Sampson Hargrett-Thrower was the head the Choral Music department at Jones High School in Orlando. She passed away on April 19, 2010

Army Sp4 Thomas Berry Corbin was killed in combat in South Vietnam in 1968. He received the Army Silver Star.

Navy BMC Samuel Calhoun Chavous Jr. was killed in combat in South Vietnam in 1968.

Marine Lance Cpl. Brian Rory Busing was killed in combat in Iraq in 2003.

Army Sgt. Karl Andrew Campbell was killed in Afghanistan in 2010.

Army SPC. James Anthony Page was killed in Afghanistan in 2010.

Ben G. Watts served as Secretary of DOT from 1989 to 1997. Currently, Mr. Watts is retired from Carter & Burgess, Inc., where he served as President and CEO.

Based in Mayport, FL, the USS Stark was attacked by an Iraqi jet fighter in 1987, killing 37 American sailors.

Deputies Hal P. Croft and Ronald Jackson were Union County sheriff's deputies killed in the line of duty.

Verna Bell was a community activist in Fernandina Beach and Duval County.

**IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES**

On March 15, 2011, the Transportation & Highway Safety Subcommittee adopted three amendments to its Proposed Committee Substitute. These amendments:

- Designates the Duval County Law Enforcement Memorial Overpass.
- Designates Deputy Hal P. Croft and Deputy Ronald Jackson Highway.
- Designate Verna Bill Way.

The bill analysis is drafted to the Committee Substitute.



1                                   A bill to be entitled  
 2           An act relating to road and bridge designations;  
 3           designating Sgt. Thomas J. Baitinger, Officer Jeffrey A.  
 4           Yaslowitz, and Officer David S. Crawford Memorial Highway  
 5           in Pinellas County; designating Edna S. Hargrett-Thrower  
 6           Avenue in Orange County; designating SP4 Thomas Berry  
 7           Corbin Memorial Highway and U.S. Navy BMC Samuel Calhoun  
 8           Chavous, Jr. Memorial Highway in Dixie County; designating  
 9           Marine Lance Corporal Brian R. Buesing Memorial Highway,  
 10          United States Army Sergeant Karl A. Campbell Memorial  
 11          Highway, and U.S. Army SPC James A. Page Memorial Highway  
 12          in Levy County; designating Veterans Memorial Highway in  
 13          Putnam County; designating Ben G. Watts Highway in  
 14          Washington County; designating Mardi Gras Way, West Park  
 15          Boulevard, and Pembroke Park Boulevard in Broward County;  
 16          designating Stark Memorial Drive and Duval County Law  
 17          Enforcement Memorial Overpass in Duval County; designating  
 18          Verna Bell Way in Nassau County; designating Deputy Hal P.  
 19          Croft and Deputy Ronald Jackson Highway in Union County;  
 20          amending ss. 24 and 45, ch. 2010-230, Laws of Florida;  
 21          revising the designation for Miss Lillie Williams  
 22          Boulevard and Father Gerard Jean-Juste Street in Miami-  
 23          Dade County; directing the Department of Transportation to  
 24          erect suitable markers; providing an effective date.

25  
 26   Be It Enacted by the Legislature of the State of Florida:  
 27  
 28

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29           Section 1. Sgt. Thomas J. Baitinger, Officer Jeffrey A.  
 30 Yaslowitz, and Officer David S. Crawford Memorial Highway  
 31 designated; Department of Transportation to erect suitable  
 32 markers.-

33           (1) That portion of State Road 687 between Interstate 275  
 34 and Interstate 175 in Pinellas County is designated as "Sgt.  
 35 Thomas J. Baitinger, Officer Jeffrey A. Yaslowitz, and Officer  
 36 David S. Crawford Memorial Highway."

37           (2) The Department of Transportation is directed to erect  
 38 suitable markers designating Sgt. Thomas J. Baitinger, Officer  
 39 Jeffrey A. Yaslowitz, and Officer David S. Crawford Memorial  
 40 Highway as described in subsection (1).

41           Section 2. Edna S. Hargrett-Thrower Avenue designated;  
 42 Department of Transportation to erect suitable markers.-

43           (1) That portion of Orange Blossom Trail between W. Gore  
 44 Street and W. Church Street in Orange County is designated as  
 45 "Edna S. Hargrett-Thrower Avenue."

46           (2) The Department of Transportation is directed to erect  
 47 suitable markers designating Edna S. Hargrett-Thrower Avenue as  
 48 described in subsection (1).

49           Section 3. SP4 Thomas Berry Corbin Memorial Highway  
 50 designated; Department of Transportation to erect suitable  
 51 markers.-

52           (1) That portion of U.S. Highway 19/27A/98/State Road 55  
 53 between the Suwannee River Bridge and N.E. 592nd Street/Chavous  
 54 Road/Kate Green Road in Dixie County is designated as "SP4  
 55 Thomas Berry Corbin Memorial Highway."

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56        (2) The Department of Transportation is directed to erect  
 57 suitable markers designating SP4 Thomas Berry Corbin Memorial  
 58 Highway as described in subsection (1).

59        Section 4. U.S. Navy BMC Samuel Calhoun Chavous, Jr.  
 60 Memorial Highway designated; Department of Transportation to  
 61 erect suitable markers.-

62        (1) That portion of U.S. Highway 19/98/State Road 55  
 63 between N.E. 592nd Street/Chavous Road/Kate Green Road and N.E.  
 64 170th Street in Dixie County is designated as "U.S. Navy BMC  
 65 Samuel Calhoun Chavous, Jr. Memorial Highway."

66        (2) The Department of Transportation is directed to erect  
 67 suitable markers designating U.S. Navy BMC Samuel Calhoun  
 68 Chavous, Jr. Memorial Highway as described in subsection (1).

69        Section 5. Marine Lance Corporal Brian R. Buesing Memorial  
 70 Highway designated; Department of Transportation to erect  
 71 suitable markers.-

72        (1) That portion of State Road 24 between County Road 347  
 73 and Bridge Number 340053 in Levy County is designated as "Marine  
 74 Lance Corporal Brian R. Buesing Memorial Highway."

75        (2) The Department of Transportation is directed to erect  
 76 suitable markers designating Marine Lance Corporal Brian R.  
 77 Buesing Memorial Highway as described in subsection (1).

78        Section 6. United States Army Sergeant Karl A. Campbell  
 79 Memorial Highway designated; Department of Transportation to  
 80 erect suitable markers.-

81        (1) That portion of U.S. Highway 19/98/State Road 55/S.  
 82 Main Street between N.W. 1st Avenue and S.E. 2nd Avenue in Levy  
 83 County is designated as "United States Army Sergeant Karl A.

84 Campbell Memorial Highway."

85 (2) The Department of Transportation is directed to erect  
 86 suitable markers designating United States Army Sergeant Karl A.  
 87 Campbell Memorial Highway as described in subsection (1).

88 Section 7. U.S. Army SPC James A. Page Memorial Highway  
 89 designated; Department of Transportation to erect suitable  
 90 markers.-

91 (1) That portion of U.S. Highway 27A/State Road  
 92 500/Hathaway Avenue between State Road 24/Thrasher Drive and  
 93 Town Court in Levy County is designated as "U.S. Army SPC James  
 94 A. Page Memorial Highway."

95 (2) The Department of Transportation is directed to erect  
 96 suitable markers designating U.S. Army SPC James A. Page  
 97 Memorial Highway as described in subsection (1).

98 Section 8. Veterans Memorial Highway designated;  
 99 Department of Transportation to erect suitable markers.-

100 (1) That portion of State Road 19 between U.S. Highway  
 101 17/State Road 15 and Carriage Drive in the City of Palatka in  
 102 Putnam County is designated as "Veterans Memorial Highway."

103 (2) The Department of Transportation is directed to erect  
 104 suitable markers designating Veterans Memorial Highway as  
 105 described in subsection (1).

106 Section 9. Ben G. Watts Highway designated; Department of  
 107 Transportation to erect suitable markers.-

108 (1) That portion of U.S. Highway 90 in Washington County  
 109 between the Jackson County line and the Holmes County line at  
 110 the Holmes Creek Bridge is designated as "Ben G. Watts Highway."

111 (2) The Department of Transportation is directed to erect  
 112 suitable markers designating Ben G. Watts Highway as described  
 113 in subsection (1).

114 Section 10. Mardi Gras Way designated; Department of  
 115 Transportation to erect suitable markers.-

116 (1) That portion of State Road 824 between Interstate 95  
 117 and U.S. Highway 1 in Broward County is designated as "Mardi  
 118 Gras Way."

119 (2) The Department of Transportation is directed to erect  
 120 suitable markers designating Mardi Gras Way as described in  
 121 subsection (1).

122 Section 11. West Park Boulevard designated; Department of  
 123 Transportation to erect suitable markers.-

124 (1) That portion of State Road 7 between Pembroke Road and  
 125 County Line Road in Broward County is designated as "West Park  
 126 Boulevard."

127 (2) The Department of Transportation is directed to erect  
 128 suitable markers designating West Park Boulevard as described in  
 129 subsection (1).

130 Section 12. Pembroke Park Boulevard designated; Department  
 131 of Transportation to erect suitable markers.-

132 (1) That portion of State Road 858/Hallandale Beach  
 133 Boulevard between Interstate 95 and U.S. Highway 441/State Road  
 134 7 in Broward County is designated as "Pembroke Park Boulevard."

135 (2) The Department of Transportation is directed to erect  
 136 suitable markers designating Pembroke Park Boulevard as  
 137 described in subsection (1).

138            Section 13. Stark Memorial Drive designated; Department of  
 139 Transportation to erect suitable markers.-

140            (1) That portion of State Road 101/Mayport Road between  
 141 State Road A1A and Wonderwood Connector in Duval County is  
 142 designated as "Stark Memorial Drive."

143            (2) The Department of Transportation is directed to erect  
 144 suitable markers designating Stark Memorial Drive as described  
 145 in subsection (1).

146            Section 14. Duval County Law Enforcement Memorial Overpass  
 147 designated; Department of Transportation to erect suitable  
 148 markers.-

149            (1) The Interstate 295/State Road 9A overpass (Bridge Nos.  
 150 720256 and 720347) over Interstate 10/State Road 8 in Duval  
 151 County is designated as "Duval County Law Enforcement Memorial  
 152 Overpass."

153            (2) The Department of Transportation is directed to erect  
 154 suitable markers designating Duval County Law Enforcement  
 155 Memorial Overpass as described in subsection (1).

156            Section 15. Verna Bell Way designated; Department of  
 157 Transportation to erect suitable markers.-

158            (1) That portion of State Road 200 between Lime Street and  
 159 Beech Street in the City of Fernandina Beach in Nassau County is  
 160 designated as "Verna Bell Way."

161            (2) The Department of Transportation is directed to erect  
 162 suitable markers designating Verna Bell Way as described in  
 163 subsection (1).

164           Section 16. Deputy Hal P. Croft and Deputy Ronald Jackson  
 165 Highway designated; Department of Transportation to erect  
 166 suitable markers.-

167           (1) That portion of State Road 100 East between the  
 168 Bradford County line and the Columbia County line in Union  
 169 County is designated as "Deputy Hal P. Croft and Deputy Ronald  
 170 Jackson Highway."

171           (2) The Department of Transportation is directed to erect  
 172 suitable markers designating Deputy Hal P. Croft and Deputy  
 173 Ronald Jackson Highway as described in subsection (1).

174           Section 17. Section 24 of chapter 2010-230, Laws of  
 175 Florida, is amended to read:

176           Section 24. Miss Lillie Williams Boulevard designated;  
 177 Department of Transportation to erect suitable markers.-

178           (1) That portion of N.W. 79th Street between N.W. 6th  
 179 Avenue and N.W. 7th E.~~12th~~ Avenue in Miami-Dade County is  
 180 designated as "Miss Lillie Williams Boulevard."

181           (2) The Department of Transportation is directed to erect  
 182 suitable markers designating Miss Lillie Williams Boulevard as  
 183 described in subsection (1).

184           Section 18. Section 45 of chapter 2010-230, Laws of  
 185 Florida, is amended to read:

186           Section 45. Father Gerard Jean-Juste Street designated;  
 187 Department of Transportation to erect suitable markers.-

188           (1) That portion of N.W. 54th Street in Miami-Dade County  
 189 between N.W. 2nd Avenue and N.E.~~N.W.~~ 3rd Avenue in Little Haiti  
 190 is designated "Father Gerard Jean-Juste Street."

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191           (2) The Department of Transportation is directed to erect  
192 suitable markers designating Father Gerard Jean-Juste Street as  
193 described in subsection (1).

194           Section 19. This act shall take effect July 1, 2011.



COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 601 (2011)

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED \_\_\_\_\_ (Y/N)  
ADOPTED AS AMENDED \_\_\_\_\_ (Y/N)  
ADOPTED W/O OBJECTION \_\_\_\_\_ (Y/N)  
FAILED TO ADOPT \_\_\_\_\_ (Y/N)  
WITHDRAWN \_\_\_\_\_ (Y/N)  
OTHER \_\_\_\_\_

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1 Committee/Subcommittee hearing bill: Transportation & Economic  
2 Development Appropriations Subcommittee  
3 Representative Frishe offered the following:  
4

5 **Amendment (with title amendment)**

6 Remove everything after the enacting clause and insert:

7 Section 1. Sgt. Thomas J. Baitinger, Officer Jeffrey A.  
8 Yaslowitz, and Officer David S. Crawford Memorial Highway  
9 designated; Department of Transportation to erect suitable  
10 markers.-

11 (1) State Road 687 in Pinellas County from I-275 to I-175  
12 is designated as "Sgt. Thomas J. Baitinger, Officer Jeffrey A.  
13 Yaslowitz, and Officer David S. Crawford Memorial Highway."

14 (2) The Department of Transportation is directed to erect  
15 suitable markers designating the Sgt. Thomas J. Baitinger,  
16 Officer Jeffrey A. Yaslowitz, and Officer David S. Crawford  
17 Memorial Highway as described in subsection (1).

Amendment No. 1

18 Section 2. Officer Jeffrey A. Kocab and Officer David L.  
19 Curtis Memorial Highway; Department of Transportation to erect  
20 suitable markers.

21 (1) State Road 583/North 50th Street in Hillsborough  
22 County from Melbourne Blvd/East 21st Avenue to State Road  
23 574/Martin Luther King Jr., Blvd is designated as "Officer  
24 Jeffrey A. Kocab and Officer David L. Curtis Memorial Highway."

25 (2) The Department of Transportation is directed to erect  
26 suitable markers designating the Officer Jeffrey A. Kocab and  
27 Officer David L. Curtis Memorial Highway as described in  
28 subsection (1).

29 Section 3. This act shall take effect July 1, 2011.

30

31

32

33

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**T I T L E A M E N D M E N T**

34

Remove the entire title and insert:


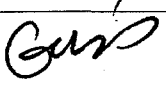
35

An act relating to road and bridge designations; designating the  
36 Sgt. Thomas J. Baitinger, Officer Jeffrey A. Yaslowitz, and  
37 Officer David S. Crawford Memorial Highway in Pinellas County;  
38 designating the Officer Jeffrey A. Kocab and Officer David L.  
39 Curtis Memorial Highway in Hillsborough County; providing an  
40 effective date.



**HOUSE OF REPRESENTATIVES STAFF ANALYSIS**

**BILL #:** HB 639 Affordable Housing  
**SPONSOR(S):** Aubuchon and others  
**TIED BILLS:** IDEN./SIM. **BILLS:** SB 912

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Community & Military Affairs Subcommittee	15 Y, 0 N	Duncan	Hoagland
2) Transportation & Economic Development Appropriations Subcommittee		Fennell 	Davis 
3) Economic Affairs Committee			

**SUMMARY ANALYSIS**

The Florida Housing Finance Corporation (FHFC) is the state entity primarily responsible for encouraging the investment of private capital in residential housing and stimulating the construction and rehabilitation of affordable housing in Florida. This bill revises statutes which govern the implementation of affordable housing programs, practices and procedures administered by the FHFC. The bill:

- Removes the statutory limitations on the amount of documentary stamp revenue that goes into the State Housing Trust Fund and the Local Government Housing Trust Fund.
- Repeals section 8 of chapter 2009-131, L.O.F., retroactively. This eliminates a conflicting version of s. 201.15, F.S., relating to the service charge on taxes collected, which passed concurrently with a different version during the 2009 legislative session, consistent with statutory revision's placement in the statute.
- Revises the state housing strategy to provide targeted assistance for persons with special needs and requires the periodic reviews and reports to include an analysis of persons with special needs.
- Creates two additional definitions to enact the newly established state housing strategies. Those new definitions are aimed to serve populations defined as suffering from a "disabling condition" and those defined as a "person with special needs."
- Removes domicile of the developer and general contractor as criteria to be considered by the FHFC in its scoring and competitive evaluation of applications for funding under the SAIL program and replaces it with developers and general contractors who demonstrate the highest rate of Florida job creation in the development and construction of affordable housing.
- Requires local government comprehensive plans to include affordable housing for seniors as a part of the plan's housing element.
- Authorizes the FHFC to receive federal funding for which no corresponding program has been previously created by statute and to establish selection criteria for such funds by request for proposals or other competitive solicitation.
- Provides that funds from the State Housing Trust Fund or the Local Government Housing Trust Fund that are appropriated for use in the State Apartment Incentive Loan Program, Florida Homeownership Assistance Program, Community Workforce Housing Innovation Pilot Program, or the State Housing Initiatives Partnership Program may not be used to finance or otherwise assist new construction until July 1, 2012.

The Revenue Estimating Conference consensus estimate found there would be no impact to cash in the 2011-2012 fiscal year. However, based on a four-year outlook there would be an annualized negative impact to recurring general revenue of \$25 million and an annualized positive recurring impact to the state housing trust funds in the same amount.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

##### **The State Housing Initiatives Partnership (SHIP) Program and the Distribution of Documentary Stamp Taxes**

###### Overview

The Florida Housing Finance Corporation (FHFC)<sup>1</sup> is the state entity primarily responsible for encouraging the investment of private capital in residential housing and stimulating the construction and rehabilitation of affordable housing in Florida.<sup>2</sup> Originally, federal funds were the only resources that funded housing programs administered by the FHFC. To leverage these federal funds, in the late 1980s the Legislature appropriated funding for state programs.<sup>3</sup> With the enactment of the William E. Sadowski Act<sup>4</sup> which created the State Housing Initiatives Partnership (SHIP) Program,<sup>5</sup> the FHFC's programs are funded in part with revenues generated by the documentary stamp tax, which are often combined with federal funding. The FHFC administers a number of multifamily and single family housing programs that help local governments assist Floridians in obtaining safe, decent affordable housing.

The SHIP Program was created for the purpose of providing funds to local governments as an incentive for the creation of partnerships to produce and preserve affordable housing, further the housing element of the local comprehensive plan specific to affordable housing, and increase housing-related employment.<sup>6</sup> Portions of the documentary stamp tax are transferred into the Local Government Housing Trust Fund and distributed to counties and eligible municipalities<sup>7</sup> participating in the SHIP Program.<sup>8</sup> Counties and eligible municipalities must meet a number of requirements in order to receive funding.<sup>9</sup>

###### Current Law

The documentary stamp tax is imposed on documents that transfer interest in Florida real property<sup>10</sup> and current law provides for the distribution of documentary stamp taxes.<sup>11</sup> Documents subject to the tax include deeds; bonds; notes and written obligations to pay money; and mortgages, liens, and other evidences of indebtedness.<sup>12</sup> The taxes are primarily used to fund varied land and water conservation, preservation, and maintenance, as well as transportation programs.<sup>13</sup>

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<sup>1</sup> The Florida Housing Finance Corporation (FHFC) was created as a public corporation within the Department of Community Affairs (DCA). However, the FHFC is a separate budget entity and is not subject to the control, supervision, or direction of DCA. Section 420.504, F.S.

<sup>2</sup> Section 420.502(7), F.S.

<sup>3</sup> Florida Housing Finance Corporation, *Sadowski Act Overview*, available at [http://www.floridahousing.org/FH-ImageWebDocs/AboutUS/SadowskiAct\\_Outline.pdf](http://www.floridahousing.org/FH-ImageWebDocs/AboutUS/SadowskiAct_Outline.pdf).

<sup>4</sup> Sections 1-35, ch. 92-317, L.O.F.

<sup>5</sup> Section 32, ch. 92-317, L.O.F.

<sup>6</sup> Section 420.9072, F.S.

<sup>7</sup> "Eligible municipality" means a municipality that is eligible for federal Community Development Block Grant entitlement moneys as an entitlement community identified in 24 C.F.R. s. 570, subpart D, Entitlement Grants, or a nonentitlement municipality that is receiving local housing distribution funds under an interlocal agreement that provides for possession and administrative control of funds to be transferred to the nonentitlement municipality. An eligible municipality that defers its participation in the community development block grants does not affect its eligibility for participation in the State Housing Initiatives Partnership Program. Section 420.9071(9), F.S.

<sup>8</sup> Sections 420.9071(17), F.S. and 420.9073, F.S.

<sup>9</sup> Section 420.9072(2)(a), F.S.

<sup>10</sup> Chapter 201, F.S.

<sup>11</sup> Section 201.15, F.S.

<sup>12</sup> Florida Department of Revenue, *Documentary Stamp Tax*, Nov. 2009, available at <http://dor.myflorida.com/dor/forms/2009/gt800014.pdf>.

<sup>13</sup> Section 201.15, F.S.

After the distribution specified by law,<sup>14</sup> the lesser of 7.53 percent of remaining documentary stamp taxes or \$107 million in each fiscal year must be paid into the State Treasury, of which half of this amount must be to the credit of the State Housing Trust Fund and the remaining half must be to the credit of the Local Government Housing Trust Fund.<sup>15</sup>

After the distribution specified by law,<sup>16</sup> the lesser of 8.66 percent of remaining documentary stamp taxes or \$136 million in each fiscal year must be paid into the State Treasury, of which 87.5 percent must be paid to the credit of the Local Government Housing Trust Fund and the remaining 12.5 percent must be paid to the credit of the State Housing Trust Fund.<sup>17</sup> In total, the distributions to the State and Local Government Housing Trust Funds are limited to a percentage of the collected documentary stamp taxes or \$243 million, whichever is less.

### Effect of the Proposed Changes

The bill removes the statutory limitations on the amount of documentary stamp revenue that goes into the State Housing Trust Fund and the Local Government Housing Trust Fund. The bill accomplishes this by:

- Deleting the language providing that the money to be distributed to the State Treasury to the credit of the State Housing Trust Fund for certain purposes will be the lesser of 7.53 percent or \$107 million<sup>18</sup> and replacing it with “seven and fifty-three hundredths” percent.
- Deleting the language providing that the money to be distributed to the State Treasury to the credit of the State Housing Trust Fund for certain purposes will be the lesser of 8.66 percent or \$136 million<sup>19</sup> and replacing it with “eight and sixty-six hundredths” percent.

The caps on the above trust fund distributions are eliminated, so that 7.53 percent of net documentary stamp tax collections are split 50 percent to the State Housing Trust Fund and 50 percent to the Local Government Housing Trust Fund, and 8.66% of the net collections are split 12.5 percent to the State Housing Trust Fund and 87.5 percent to the Local Government Housing Trust Fund.

The FHFC asserts that removal of the statutory limitations on the amount of documentary stamp revenue that goes into the trust funds would increase the amount of funds that could be allocated to FHFC for its various affordable housing programs.

The Revenue Estimating Conference consensus estimate found there would be no impact to cash in the 2011-2012 fiscal year. However, based on a four-year outlook there would be an annualized negative impact to recurring general revenue of \$25 million and an annualized positive recurring impact to the state housing trust funds in the same amount.

## **Repeal of s. 8, ch. 2009-131, Laws of Florida; Taxes Collected Subject to Service Charge**

### Current Situation

All taxes collected under this chapter are subject to a service charge<sup>20</sup> imposed by law.<sup>21</sup> In addition, prior to distribution under this section, the Department of Revenue deducts the amounts necessary to pay the costs of the collection and enforcement of the tax levied.<sup>22</sup> Section 8 of chapter 2009-131, L.O.F., amended s. 201.15, F.S., by adding language that provided for all costs of collection and enforcement of the tax and the service charge to be available and transferred to the extent necessary to pay debt service and any other amounts payable with respect to bonds authorized before July 1, 2009.

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<sup>14</sup> Section 201.15(1)-(8), F.S.

<sup>15</sup> Section 201.15(9), F.S.

<sup>16</sup> Section 201.15(1)-(9), F.S.

<sup>17</sup> Section 201.15(10), F.S.

<sup>18</sup> Section 201.15(9), F.S.

<sup>19</sup> Section 201.15(10), F.S.

<sup>20</sup> Section 201.20(1), F.S.

<sup>21</sup> Section 201.15, F.S.

<sup>22</sup> *Id.*

This chapter of law also created subsection 201.15(16), F.S., which provides that, if amounts necessary to pay debt service or any other amounts payable with respect to Preservation 2000 bonds, Florida Forever bonds, or Everglades Restoration bonds authorized before July 1, 2009, exceed the amounts distributable pursuant to subsection 201.15(1), F.S., all moneys, distributable pursuant to this section, are available for such obligations and transferred in the amounts necessary to pay such obligations when due. Those amounts distributable pursuant to subsection 201.15(2), (3), (4), and (5), and paragraphs (9)(a) and (10)(a), F.S., are not available to pay such obligations to the extent that such moneys are necessary to pay debt service on bonds secured by revenues pursuant to those provisions.

#### Effect of the Proposed Changes

The bill repeals section 8 of chapter 2009-131, L.O.F., retroactively to June 30, 2009, which predates its effective date of July 1, 2009. The purpose of this retroactive repeal is to eliminate a conflicting version of s. 201.15, F.S., that was included in SB 2430 (Relating to Taxation of Documents) from 2009. This version provides certain distribution guidelines for tax collections after subtracting costs and the service charge, and refers to bonds authorized before July 1, 2009. SB 2430 was signed into law by the Governor on June 10, 2009, and became ch. 2009-131, L.O.F.

The version that statutory revision included in the body of s. 201.15, F.S., provides different distribution guidelines for tax collections after subtracting costs and the service charge. This version of s. 201.15, F.S., was included in SB 1750 (Relating to Disposition of Tax Revenues) from 2009, and refers to bonds authorized before January 1, 2010. SB 1750 was signed into law by the Governor on May 27, 2009, and became ch. 2009-68, L.O.F.

### **Powers of the Florida Housing Finance Corporation (FHFC)**

#### Current Law

Florida law grants the FHFC with specific powers necessary or convenient to carry out and effectuate the purposes for providing affordable housing.<sup>23</sup> Among the powers granted by the Legislature is the power to receive federal funding in connection with programs administered by the FHFC directly from the Federal Government.<sup>24</sup>

#### Effect of Proposed Changes

The bill authorizes the FHFC to administer programs receiving federal funding for which no corresponding program has been previously created by statute and establish selection criteria for such funds by request for proposals or other competitive solicitation. This expands the ability of the FHFC to expend federal housing relief funds in an expedient and efficient manner.

The State Apartment Incentive Loan (SAIL) Program annually provides low interest loans on a competitive basis to affordable housing developers. The bill removes domicile of the developer and general contractor as criteria to be considered by the FHFC in its scoring and competitive evaluation of applications for funding under the SAIL Program to prevent conflict with federal rules. The bill replaces the domicile preference with developers and general contractors who demonstrate the highest rate of Florida job creation in the development and construction of affordable housing.

### **State Housing Strategy**

#### Current Law

The state's housing strategy is intended to carry the state towards the goal of assuring that by the year 2010 each Floridian would have decent and affordable housing. The strategy must involve state, regional, and local governments working in partnership with communities and the private sector and must involve financial as well as regulatory commitment to accomplish the goal.<sup>25</sup> The strategy includes specific policies relating to housing need; public-private partnerships; preservation of housing stock; public housing; and housing production or rehabilitation programs.<sup>26</sup>

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<sup>23</sup> Sections 159.608 and 420.507, F.S.

<sup>24</sup> Section 420.507(33), F.S.

<sup>25</sup> Section 420.0003, F.S.

<sup>26</sup> Section 420.003(3), F.S.

The Shimberg Center for Affordable Housing at the University of Florida, in consultation with DCA and the FHFC, is directed to review and evaluate existing housing rehabilitation, production, and finance programs to determine their consistency with relevant policies of the state's housing strategy and identify the needs of specific populations, including, but not limited to, elderly and handicapped persons, and must recommend statutory modifications where appropriate.<sup>27</sup>

Currently, the set-aside or prioritization requirements for affordable housing are for commercial fishing workers, farm-workers, elderly, and homeless. Current law does not specifically address affordable housing for persons with disabilities, youth aging out of foster care, disabled veterans and survivors of domestic violence who are groups at great risk of becoming homeless.

### Effect of the Proposed Changes

The bill revises the state housing strategy to provide targeted assistance for persons with special needs, includes an analysis of persons with special needs in the strategy's periodic review and report, and provides for the distribution of housing funds for multifamily rental housing to be administered to address the housing needs of persons most in need of housing. Specifically, the bill:

- Includes persons with special needs as a tenant group for specified purposes of the State Apartment Incentive Loan (SAIL) Program.
- Extends low interest mortgage loans for the SAIL Program to sponsors of projects who set aside units for persons with special needs.
- Establishes a maximum threshold of ten percent of the SAIL funds available at that time to be used for persons with special needs.

The bill creates two new definitions to enact the newly established state housing strategies:

- "Disabling Condition" means a diagnosable substance abuse disorder, serious mental illness, development disability, or chronic physical illness or disability, or the co-occurrence of two or more of these conditions, and a determination that the condition is:
  - Expected to be of long-continued and indefinite duration; and
  - Not expected to impair the ability of the person with special needs to live independently with appropriate supports.
- "Person with special needs" means an adult person requiring independent living services in order to maintain housing or to develop independent living skills. This individual must also have a disabling condition; be a young adult existing foster care; a survivor of domestic violence; or a person receiving benefits under Social Security Disability Insurance (SSDI) program, Supplemental Social Security (SSI) program, or veterans' disability benefit.

The bill also amends the provisions of law related to the housing element of the local government comprehensive planning process and provides that local comprehensive plans may include affordable housing for persons 60 years of age and older as a part of their housing element.

## **New Construction and the Preservation of Existing Affordable Multifamily Rental Housing**

### Job Creation

The FHFC generally provides debt and equity financing to developers who leverage federal and state resources with private and other public sector funding to develop new rental apartments or rehabilitate existing affordable units. Both rehabilitation and new construction provide sources of direct and indirect economic benefit and jobs.

Currently, there are a variety of economic conditions that impact the ability of construction jobs to be a useful economic generator in Florida.<sup>28</sup> With the proliferation of unsold single family homes that are now available for rent, housing rents have been pushed down in many markets, leading to an oversupply of affordable rental housing and high vacancy rates in those rental markets with slow or no population

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<sup>27</sup> Section 420.003(4), F.S.

<sup>28</sup> Florida Housing Finance Corporation, *Financing Affordable Rental Development*, March 2011, p. 1, available at <http://www.floridahousing.org/FH-ImageWebDocs/UniversalApps/2011/ImportantAnnouncements>.



growth (or new household formations). However, in some markets, vacancy rates are low and there is a continued demand for new rental housing.<sup>29</sup>

The FHFC has determined that each new construction development, on average, creates more jobs than each preservation development: 347 jobs per new construction property, versus 215 jobs per preservation property. However, when equal allocations to new construction and preservation are made, as proposed in the FHFC's proposed 2011 rules,<sup>30</sup> more total jobs are created overall by the preservation activities. This is because preservation developments require fewer Low Income Housing Tax Credits to complete and the cost of preservation development is generally lower than new construction. Thus, the state's Low Income Housing Tax Credit allocation goes further for these developments and more developments can be financed with an equal amount of Low Income Housing Tax Credits – an estimated 22 preservation developments versus 12 new construction developments, therefore creating more jobs overall: preservation – 4,737 jobs; new construction – 4,164 jobs.<sup>31</sup>

In 2010, the FHFC carried out closings on 94 affordable multifamily rental developments (9,735 units) – 72 new construction developments with 7,264 units and 22 preservation developments with 2,471 units. These 94 rental developments generated a total development cost of \$1.69 billion. This translates into approximately \$3.86 billion in total economic activity and over 30,906 jobs.<sup>32</sup>

### The Need for Preservation and New Construction

According to the FHFC, there is a need for affordable new construction as well as preservation of existing affordable multifamily rental housing. While there is a need for new construction in some of Florida's markets, in many counties or areas of counties in Florida (over half), existing affordable rental communities in the FHFC's portfolio are experiencing low occupancy rates (in many cases, properties with only 85-89 percent of units occupied, with some even lower) because of "saturation." Because so much single family housing stock is currently on the market for sale, many owners have chosen to rent out their homes rather than try to find buyers in this market. These additional rental units are competing with market rate and affordable apartments, leading apartment owners to respond with lower rents and special offers. With an excess of rental housing available in many places, vacancies in the FHFC's portfolio are higher than usual.<sup>33</sup>

The FHFC states that its objective is to carefully target any new rental construction to those areas of the state where there is a need for such housing. The goal is to help avoid cannibalizing existing state financed rental developments and in particular those developments in the Florida Affordable Housing Guarantee Program<sup>34</sup> portfolio.<sup>35</sup> Negative pressure on the affordable rental transactions financed by

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<sup>29</sup> *Id.*

<sup>30</sup> The Florida Housing Finance Corporation (FHFC) has proposed rules (Rule 67-48, F.A.C. and Rule 67-21, F.A.C.) to establish the procedures by which the FHFC must administer the application process, determine loan amounts, make and service mortgage loans for new construction or rehabilitation of affordable rental units under the State Apartment Incentive Loan Program (s. 420.5087, F.S.); the HOME Investment Partnerships Program (s. 420.5089, F.S.); and administer the application process, determine Housing Credit amounts and implement the provisions of the Housing Credit Program (Section 42 of the Internal Revenue Code and s. 420.5099, F.S., and the Multifamily Mortgage Revenue Bond Program (Section 142 of the Internal Revenue Code and s. 420.509, F.S.). Florida Housing Finance Corporation, 2011 Universal Application, [http://apps.floridahousing.org/StandAlone/FHFC\\_ECM/ContentPage.aspx?PAGE=0238](http://apps.floridahousing.org/StandAlone/FHFC_ECM/ContentPage.aspx?PAGE=0238).

<sup>31</sup> The FHFC evaluated the economic and job impacts of its proposed Low Income Housing Tax Credit cycle with the University of Florida's Shimberg Center for Housing Studies. IMPLAN Version 3, an econometric model along with 2009 Florida state data, was used to estimate impacts from financing both new construction and preservation developments. Florida Housing Finance Corporation, *Financing Affordable Rental Development*, March 2011, p. 1, available at <http://www.floridahousing.org/FH-ImageWebDocs/UniversalApps/2011/ImportantAnnouncements>.

<sup>32</sup> Florida Housing Finance Corporation, *2010 Annual Report*, Letter from the Chairman and Executive Director, March 2011, p.4, available at [http://www.floridahousing.org/FH-ImageWebDocs/Newsroom/Publications/AnnualReports/FHFC\\_2010AR.pdf](http://www.floridahousing.org/FH-ImageWebDocs/Newsroom/Publications/AnnualReports/FHFC_2010AR.pdf).

<sup>33</sup> Florida Housing Finance Corporation, *Financing Affordable Rental Development*, March 2011, p. 6, available at <http://www.floridahousing.org/FH-ImageWebDocs/UniversalApps/2011/ImportantAnnouncements>.

<sup>34</sup> The Florida Affordable Housing Guarantee Program issued guarantees on mortgages of bond-financed affordable rental housing between 1993 and 2005. This action was intended to create a security mechanism that allowed issuers of mortgage revenue bonds to sell affordable housing bonds in the primary and secondary markets. Most of the transactions in this portfolio are 50 percent guaranteed by the U.S. Department of Housing and Urban Development Risk Sharing Program. However, due to the current market conditions, the FHFC has suspended the issuance of additional guarantees. Florida Housing Finance Corporation, *2010 Annual*

the guarantee fund may lead to the replenishment of its reserves by drawing on the State Housing Trust Fund<sup>36</sup> to provide additional support to the guarantee fund. These resources have been utilized in recent years by the Legislature and Governor to help balance Florida's budget.<sup>37</sup>

With respect to preservation, there are over 400 rental properties throughout Florida that were originally financed with funding from the U.S. Housing and Urban Development and the U.S. Department of Agriculture's Rural Development programs and are now over twenty years old. Over 300 of these properties have substantial amounts of federal rental assistance as part of their overall financing package.<sup>38</sup> The proposed preservation resources are intended to assist the state with two objectives.<sup>39</sup>

- To recapitalize and rehabilitate older properties which are falling into disrepair because of age.
- To enable the preservation of the federal rental assistance that enables these rental properties to serve Floridians with very low incomes. The federal rental assistance provides support directly to these properties in exchange for serving elders, persons with disabilities and others with extremely low incomes who cannot afford to pay rents at levels that will support daily operational expenses at a property. Preservation allows the federal rental assistance to remain on the property. Without this federal rental assistance, which is rarely provided to new construction developments, it would be difficult to house these same families in newly constructed rental developments financed through today's typical Low Income Housing Tax Credit financing structures.

## Temporary Limitation of New Construction

### Effect of the Proposed Changes

The bill places a temporary limitation on new construction and creates the following legislative finding:

*"Due to the current economic conditions in the housing market there is a critical need to rehabilitate or sell excess inventory of unsold homes, including foreclosed homes and newly constructed homes, as well as a critical need for the rehabilitation and preservation of older, affordable apartments. The Legislature further finds that there is a critical need to create housing-related jobs and that these conditions require the targeting of state and local housing trust fund moneys to assist in the sale or rehabilitation of existing homes and the preservation and rehabilitation of older rental apartments."*

The bill provides that notwithstanding current law,<sup>40</sup> funds from the State Housing Trust Fund or the Local Government Housing Trust Fund that are appropriated for use in the SAIL Program, Florida Homeownership Assistance Program (FHAP), Community Workforce Housing Innovation Pilot (CWHIP) Program, or the State Housing Initiatives Partnership (SHIP) Program may not be used to:

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Report, March 2011, p.6, available at [http://www.floridahousing.org/FH-](http://www.floridahousing.org/FH-ImageWebDocs/Newsroom/Publications/AnnualReports/FHFC_2010AR.pdf)

[ImageWebDocs/Newsroom/Publications/AnnualReports/FHFC\\_2010AR.pdf](http://www.floridahousing.org/FH-ImageWebDocs/Newsroom/Publications/AnnualReports/FHFC_2010AR.pdf). See also s. 420.5092, F.S.

<sup>35</sup> In 2009, Fitch Ratings downgraded the state's affordable housing guarantee fund from "A+" to "A-" with a negative outlook. The downgrade was based on a spike in the risk-to-capital ratio, five claim payments on properties within the portfolio in nine months, and operating losses in fiscal [year] 2008. The rating considered a risk-to-capital level within the board-directed 5:1 risk-to-capital ratio. The absence of construction risk within the portfolio as well as the ongoing state support through the fund's ability to replenish the fund by drawing on a portion of future documentary stamp tax collections made to the State Housing Trust Fund. Negative rating pressure may occur if the effective risk-to-capital ratio rises above the board-directed maximum 5:1 ratio; the impact of additional claims are large; the documentary stamp tax allocations to the State Housing Trust Fund are diminished and/or the fund's operating performance remains weak. Business Wire, A Berkshire Hathaway Company, *Fitch Downgrades Florida Housing Finance Corp's Guarantee Fund's IFS to "A-"; Outlook Negative*, Aug. 18, 2009, available at <http://www.businesswire.com/news/home/20090818006320/en/Fitch-Downgrades-Florida-Housing-Finance-Corps-Guarantee>.

<sup>36</sup> Section 420.5092(5) and (6), F.S.

<sup>37</sup> Florida Housing Finance Corporation, *Financing Affordable Rental Development*, March 2011, p. 6, available at <http://www.floridahousing.org/FH-ImageWebDocs/UniversalApps/2011/ImportantAnnouncements>.

<sup>38</sup> *Id.*

<sup>39</sup> *Id.*

<sup>40</sup> ss. 420.507(22)(a) and (23)(a), 420.5087(6)(l), 420.5088, 420.5095, and 420.9075(1)(b) and (5)(b), F.S.

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- Finance or otherwise assist the construction or purchase of housing sold to eligible individuals, unless the housing unit being sold had an initial certificate of occupancy prior to December 31, 2010; or
- Finance or otherwise assist in the construction or purchase of rental housing, unless the development being financed or assisted received its initial certificate of occupancy prior to December 31, 1996.

The bill expressly states that nothing in this section restricts the use of such funds to assist with the purchase of newly constructed homes that were completed prior to December 31, 2010, or the acquisition and rehabilitation of apartments that received their initial certificate of occupancy prior to December 31, 1996. It also provides that the use of such funds is subject to the restrictions of the program under which the funding is made available.

This section and the limitations imparted by it expire July 1, 2012.

## **FHFC Board of Directors**

### Current Law

The FHFC is governed by a nine-member board of directors appointed by the Governor and subject to Senate confirmation as follows:<sup>41</sup>

- A residential home builder.
- A commercial builder.
- A banker or mortgage banker.
- A building labor representative.
- An advocate for low-income persons.
- A former local government elected official.
- Two Florida citizens who are not principally employed in one of the above-listed industries.
- The Secretary of the Florida Department of Community Affairs (ex officio and voting).

### Effect of Proposed Changes

The bill permits the Secretary of the Florida Department of Community Affairs to designate a senior-level agency employee to serve as the DCA's ex officio board member.

## **Agency Inspectors General**

### Current Law

Florida law provides for the establishment of an Office of the Inspector General (OIG) in each state agency to promote accountability, integrity, and efficiency in government.<sup>42</sup> Each Inspector General (IG) is appointed, supervised, and removed by their respective agency head.<sup>43</sup> The major responsibilities of the OIG include investigations, audits, and reviews of state agency programs and activities.<sup>44</sup> Currently, the IG for DCA is directed to perform for the FHFC the functions of the IG and reports to the secretary of DCA.<sup>45</sup>

The minimum qualifications for an agency IG are as follows:<sup>46</sup>

- A bachelor's degree from an accredited college or university with a major in accounting, or with a major in business which includes five courses in accounting, and 5 years of experience as an internal auditor or independent postauditor, electronic data processing auditor, accountant, or any combination thereof; or

<sup>41</sup> Section 420.504(3), F.S.

<sup>42</sup> Section 20.055(2), F.S.

<sup>43</sup> Section 20.055(3), F.S.

<sup>44</sup> Section 20.055(2), F.S.

<sup>45</sup> Section 420.0006, F.S.

<sup>46</sup> Section 20.055(5), F.S.

- A master's degree in accounting, business administration, or public administration from an accredited college or university and 4 years of experience as required above; or
- A certified public accountant license<sup>47</sup> or a certified internal audit certificate issued by the Institute of Internal Auditors or earned by examination, and 4 years of experience as required above.

Investigations by the IG are designed to detect, deter, prevent, and eradicate fraud, waste, mismanagement, misconduct, and other abuses in state government.<sup>48</sup> Accordingly, the following duties are performed by OIG:<sup>49</sup>

- Receive complaints and coordinate all activities of the agency as required by the Whistle-blower's Act.<sup>50</sup>
- Receive and consider the complaints which do not meet the criteria for an investigation under the Whistle-blower's Act and conduct, supervise, or coordinate such inquiries, investigations, or reviews as the IG deems appropriate.
- Report expeditiously to the Department of Law Enforcement or other law enforcement agencies, as appropriate, whenever the IG has reasonable grounds to believe there has been a violation of criminal law.
- Conduct investigations and other inquiries free of actual or perceived impairment to the independence of the IG or the IG's office. This shall include freedom from any interference with investigations and timely access to records and other sources of information.
- Submit in a timely fashion final reports on investigations conducted by the IG to the agency head, except for whistle-blower's investigations, which shall be conducted and reported pursuant to s. 112.3189, F.S.

Audits are independent appraisals designed to examine and evaluate agency programs and activities. An inherent objective when performing audits is to review and evaluate internal controls necessary to ensure fiscal accountability. Audits must be conducted in accordance with the current Standards for the Professional Practice of Internal Auditing and subsequent Internal Auditing Standards or Statements on Internal Auditing Standards published by the Institute of Internal Auditors, Inc., or, where appropriate, in accordance with generally accepted governmental auditing standards.<sup>51</sup> Final reports are submitted to the agency head and the Auditor General, whose office is directed to give official recognition to their findings and recommendations as part of its post-audit responsibilities.<sup>52</sup>

Each IG is required to prepare an annual report summarizing the annual activities of the OIG. The report is due September 30, following the preceding fiscal year.<sup>53</sup>

#### Effect of Proposed Changes

The bill establishes an IG position for the FHFC and provides for the appointment and removal of the IG by the director with the advice and consent of the FHFC's board of directors (Board). The FHFC's IG will perform the duties of an agency inspector general as provided in IG will be required to meet the minimal qualifications established by law<sup>54</sup> and the Board is authorized to establish additional qualifications to meet the unique needs of the FHFC.

The bill amends the provisions of state law relating to the agency inspectors general to add the Florida Housing Finance Corporation to the definition of "State Agency" and the Board of Directors of the Florida Housing Finance Corporation to the definition of "Agency Head" thereby conferring the duties and responsibilities described above on the newly FHFC IG position.

<sup>47</sup> Chapter 473, F.S.

<sup>48</sup> Section 20.055(6), F.S.

<sup>49</sup> Section 20.055(6), F.S.

<sup>50</sup> Sections 112.3187-112.31895, F.S.

<sup>51</sup> Section 20.055(5), F.S.

<sup>52</sup> Section 20.055(5)(f) and (g), F.S.

<sup>53</sup> Section 20.055(7), F.S.

<sup>54</sup> Section 20.055(4), F.S.

The bill adjusts the reporting deadline for the FHFC IG's annual report to reflect the reporting period (calendar year) of the FHFC. The bill also removes the requirement for DCA's IG to serve as the FHFC's IG and removes an obsolete cross-reference.

## **Local Housing Finance Authorities**

### **Current Law**

State law prescribes the guidelines for local government investment policies for public funds in excess of the amounts needed to meet current expenses.<sup>55</sup> The law requires investment policies to be structured to place the highest priority on the safety of principal and liquidity of funds. It emphasizes that the optimization of investment returns is secondary to the requirements for safety and liquidity. Each unit of local government is required to adopt policies that are commensurate with the nature and size of the public funds within its custody.<sup>56</sup>

### **Effect of the Proposed Changes**

The bill authorizes local housing finance authorities (HFAs) to invest and reinvest surplus funds in accordance with the state's local government investment policies<sup>57</sup> and provides that in addition to the investments expressly authorized by law,<sup>58</sup> local HFAs are empowered to invest surplus funds in interest-bearing time deposits or savings accounts that are fully insured by the Federal Deposit Insurance Corporation (FDIC) regardless of whether the bank or financial institution in which the deposit or investment is made is a "qualified public depository."<sup>59</sup>

State restrictions, pertaining to "qualified public depositories" do not apply to some investments, including "public deposits which are fully secured under federal regulations."<sup>60</sup> The bill includes explicit intent language to structure this empowerment as supplementary authority and to avoid interpretation as a limitation upon any powers of a local HFA. Legal counsel for some local housing finance authorities have opined that this waiver includes investments that are fully insured by the FDIC. However, proponents of the countervailing view have interpreted the language so that it does not include FDIC insured accounts. An auditor has suggested that a clarification would be beneficial.<sup>61</sup>

## **B. SECTION DIRECTORY:**

- Section 1:** Amends s. 20.055 (1) and (7), F.S., relating to Agency Inspectors General.
- Section 2:** Creates s. 159.608(11), F.S., authorizing local housing finance authorities to invest and reinvest surplus funds.
- Section 3:** Amends s. 163.3177(6), F.S. providing that the housing element of certain local government comprehensive plans may include provisions that address housing for seniors; and providing for disposal of specified property.
- Section 4:** Amends s. 201.15 (9), (10), (13), F.S., removing the statutory limitations on the amount of documentary stamp revenue that is distributed to the State Housing Trust Fund and the Local Government Housing Trust Fund.
- Section 5:** Repeals section 8 of chapter 2009-131, L.O.F., retroactively to June 30, 2009.
- Section 6:** Amends s. 420.003(4), F.S., providing additional policy guidelines under the state housing strategy for the development of programs for housing production, rehabilitation, and finance to require persons with special needs to be included in the strategy's periodic review and report.

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<sup>55</sup> Section 218.415, F.S.

<sup>56</sup> *Id.*

<sup>57</sup> Section 218.415, F.S.

<sup>58</sup> Sections 218.415(16)((a)-(g) and (17)(a)-(d), F.S.

<sup>59</sup> Section 280.02(26), F.S.

<sup>60</sup> Section 280.03(3)(e), F.S.

<sup>61</sup> Florida Association of Local Housing Finance Authorities, email and conversation with House Community & Military Affairs Subcommittee staff on February 28, 2011.

- Section 7:** Creates s. 420.004(7) and (13), F.S., defining the terms "disabling condition" and "person with special needs."
- Section 8:** Amends s. 420.0006, F.S., relating to the appointment of the Department of Community Affairs' Inspector General to act as the FHFC's Inspector General.
- Section 9:** Amends s. 420.504(3), F.S., relating to the DCA secretary's power to designate a senior-level agency employee to serve as the DCA's ex officio and voting member of the FHFC board.
- Section 10:** Amends s. 420.506, F.S., relating to the appointment and removal of the FHFC's Inspector General.
- Section 11:** Amends s. 420.507(22), F.S., extending low interest mortgage loans for the SAIL Program to sponsors of projects who set aside units for persons with special needs; creates s. 420.507(33), F.S., to establish the authority of the FHFC to administer programs receiving federal funding for which no corresponding program has been previously created by statute; amends s. 420.507(47), F.S., deleting criteria for domiciled builder preference language and replacing that criteria with criteria which favors the highest rate of Florida job creation; and amends s. 420.507(46), F.S., to correct cross-references.
- Section 12:** Amends s. 420.5087(3) and (6), F.S., including persons with special needs as a tenant group for specified purposes of the SAIL Program; and modifying the competitive criteria that must be considered when DCA and the FHFC staff are evaluating and ranking applications under the SAIL Program.
- Section 13:** Amends s. 163.31771, F.S., relating to accessory dwelling units, to conform cross-references.
- Section 14:** Amends s. 212.08, F.S., relating to sales and use tax, to conform cross-references.
- Section 15:** Amends s. 215.5586, F.S., relating to the My Safe Florida Home Program, to conform cross-references.
- Section 16:** Amends s. 420.503, F.S., relating to definition, to conform cross-references.
- Section 17:** Provides that funds from various affordable housing trust funds and programs may not be used to finance or otherwise assist new construction until July 1, 2012.
- Section 18:** Provides an effective date of July 1, 2011.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

#### 1. Revenues:

The Revenue Estimating Conference consensus estimate found there would be no impact to cash in the 2011-2012 fiscal year. However, based on a four-year outlook there would be an annualized negative impact to recurring general revenue of \$25 million and an annualized positive recurring impact to the state housing trust funds in the same amount.

#### 2. Expenditures:

None.

### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

#### 1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill contains provisions that direct funds from various affordable housing trust funds and programs may not be used to finance or otherwise assist new construction until July 1, 2012. These provisions are aimed at reducing the surplus of available homes on the market.

D. FISCAL COMMENTS:

See comments under FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT.

### III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable because the bill does not appear to require the counties or cities to spend funds or take an action requiring the expenditure of funds; reduce the authority that cities or counties have to raise revenues in the aggregate; or reduce the percentage of a state tax shared with cities or counties.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill establishes the authority of the FHFC to administer programs receiving federal funding for which no corresponding program has been previously created by statute and establish selection criteria for such funds by request for proposals or other competitive solicitation.

The bill requires the FHFC to develop rules for determining Florida job creation rate in the development and construction of affordable housing in its scoring and competitive evaluation of applications for the SAIL program.

C. DRAFTING ISSUES OR OTHER COMMENTS:

### IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

1                                   A bill to be entitled  
2       An act relating to affordable housing; amending s. 20.055,  
3       F.S.; revising the definition of "state agency" to include  
4       the Florida Housing Finance Corporation; revising the  
5       definition of "agency head" to include the board of  
6       directors of the corporation; requiring the inspector  
7       general to prepare an annual report; amending s. 159.608,  
8       F.S.; providing a housing finance authority with an  
9       additional purpose for which it may exercise its power to  
10      borrow; amending s. 163.3177, F.S.; revising provisions  
11      relating to the elements of local comprehensive plans to  
12      authorize the inclusion of an element for affordable  
13      housing for certain seniors; providing for the disposition  
14      of real property by a local government for the development  
15      of affordable housing; amending s. 201.15, F.S.; revising  
16      the allocation of certain proceeds distributed from the  
17      excise tax on documents that are paid into the State  
18      Treasury to the credit of the State Housing Trust Fund;  
19      providing for retroactive repeal of s. 8, ch. 2009-131,  
20      Laws of Florida, to eliminate a conflicting version of s.  
21      201.15, F.S.; amending s. 420.0003, F.S.; including the  
22      needs of persons with special needs in the state housing  
23      strategy's periodic review and report; amending s.  
24      420.0004, F.S.; defining the terms "disabling condition"  
25      and "person with special needs"; conforming cross-  
26      references; amending s. 420.0006, F.S.; removing an  
27      obsolete reference; deleting provisions requiring the  
28      inspector general of the Department of Community Affairs



29 | to perform functions for the corporation to conform to  
 30 | changes made by the act; amending s. 420.504, F.S.;  
 31 | authorizing the Secretary of Community Affairs to  
 32 | designate a senior-level agency employee to serve on the  
 33 | board of directors of the Florida Housing Finance  
 34 | Corporation; amending s. 420.506, F.S.; providing for the  
 35 | appointment of an inspector general of the Florida Housing  
 36 | Finance Corporation; providing appointing authority  
 37 | thereof; providing duties and responsibilities of the  
 38 | inspector general; amending s. 420.507, F.S.; requiring  
 39 | certain rates of interest to be made available to sponsors  
 40 | of projects for persons with special needs; providing  
 41 | additional powers of the corporation relating to receipt  
 42 | of federal funds; revising powers of the corporation  
 43 | relating to criteria establishing a preference for  
 44 | eligible developers and general contractors; conforming a  
 45 | cross-reference; amending s. 420.5087, F.S.; limiting the  
 46 | reservation of funds within each notice of fund  
 47 | availability to the persons with special needs tenant  
 48 | group; including persons with special needs as a tenant  
 49 | group for specified purposes of the State Apartment  
 50 | Incentive Loan Program; revising and providing criteria to  
 51 | be used by a specified review committee for the  
 52 | competitive ranking of applications for such program;  
 53 | conforming a cross-reference; amending ss. 163.31771,  
 54 | 212.08, 215.5586, and 420.503, F.S.; conforming cross-  
 55 | references; providing legislative intent; prohibiting  
 56 | funds from the State Housing Trust Fund or the Local

57 Government Housing Trust Fund that are appropriated for  
 58 specified programs from being used for certain purposes;  
 59 providing for future repeal; providing an effective date.  
 60

61 Be It Enacted by the Legislature of the State of Florida:  
 62

63 Section 1. Paragraphs (a) and (b) of subsection (1) and  
 64 subsection (7) of section 20.055, Florida Statutes, are amended  
 65 to read:

66 20.055 Agency inspectors general.—

67 (1) For the purposes of this section:

68 (a) "State agency" means each department created pursuant  
 69 to this chapter, and also includes the Executive Office of the  
 70 Governor, the Department of Military Affairs, the Fish and  
 71 Wildlife Conservation Commission, the Office of Insurance  
 72 Regulation of the Financial Services Commission, the Office of  
 73 Financial Regulation of the Financial Services Commission, the  
 74 Public Service Commission, the Board of Governors of the State  
 75 University System, the Florida Housing Finance Corporation, and  
 76 the state courts system.

77 (b) "Agency head" means the Governor, a Cabinet officer, a  
 78 secretary as defined in s. 20.03(5), or an executive director as  
 79 defined in s. 20.03(6). It also includes the chair of the Public  
 80 Service Commission, the Director of the Office of Insurance  
 81 Regulation of the Financial Services Commission, the Director of  
 82 the Office of Financial Regulation of the Financial Services  
 83 Commission, the board of directors of the Florida Housing  
 84 Finance Corporation, and the Chief Justice of the State Supreme

85 Court.

86 (7) (a) Except as provided in paragraph (b), each inspector  
87 general shall, not later than September 30 of each year, prepare  
88 an annual report summarizing the activities of the office during  
89 the immediately preceding state fiscal year.

90 (b) The inspector general of the Florida Housing Finance  
91 Corporation shall, not later than 90 days after the end of each  
92 fiscal year, prepare an annual report summarizing the activities  
93 of the office of inspector general during the immediately  
94 preceding fiscal year.

95 (c) The final reports prepared pursuant to paragraphs (a)  
96 and (b) report shall be furnished to the heads of the respective  
97 agencies agency head. Such report shall include, but need not be  
98 limited to:

99 1. (a) A description of activities relating to the  
100 development, assessment, and validation of performance measures.

101 2. (b) A description of significant abuses and deficiencies  
102 relating to the administration of programs and operations of the  
103 agency disclosed by investigations, audits, reviews, or other  
104 activities during the reporting period.

105 3. (c) A description of the recommendations for corrective  
106 action made by the inspector general during the reporting period  
107 with respect to significant problems, abuses, or deficiencies  
108 identified.

109 4. (d) The identification of each significant  
110 recommendation described in previous annual reports on which  
111 corrective action has not been completed.

112 5. (e) A summary of each audit and investigation completed

113 during the reporting period.

114 Section 2. Subsection (11) is added to section 159.608,  
115 Florida Statutes, to read:

116 159.608 Powers of housing finance authorities.—A housing  
117 finance authority shall constitute a public body corporate and  
118 politic, exercising the public and essential governmental  
119 functions set forth in this act, and shall exercise its power to  
120 borrow only for the purpose as provided herein:

121 (11) To invest and reinvest surplus funds of the housing  
122 finance authority in accordance with s. 218.415. However, in  
123 addition to the investments expressly authorized in ss.  
124 218.415(16) (a)-(g) and (17) (a)-(d), a housing finance authority  
125 may invest surplus funds in interest-bearing time deposits or  
126 savings accounts that are fully insured by the Federal Deposit  
127 Insurance Corporation regardless of whether the bank or  
128 financial institution in which the deposit or investment is made  
129 is a qualified public depository as defined in s. 280.02. This  
130 subsection is supplementary to and may not be construed as  
131 limiting any powers of a housing finance authority or providing  
132 or implying a limiting construction of any other statutory  
133 provision.

134 Section 3. Paragraph (f) of subsection (6) of section  
135 163.3177, Florida Statutes, is amended to read:

136 163.3177 Required and optional elements of comprehensive  
137 plan; studies and surveys.—

138 (6) In addition to the requirements of subsections (1)-(5)  
139 and (12), the comprehensive plan shall include the following  
140 elements:

- 141 (f)1. A housing element consisting of standards, plans,  
 142 and principles to be followed in:
- 143 a. The provision of housing for all current and  
 144 anticipated future residents of the jurisdiction.
  - 145 b. The elimination of substandard dwelling conditions.
  - 146 c. The structural and aesthetic improvement of existing  
 147 housing.
  - 148 d. The provision of adequate sites for future housing,  
 149 including affordable workforce housing as defined in s.  
 150 380.0651(3)(j), housing for low-income, very low-income, and  
 151 moderate-income families, mobile homes, and group home  
 152 facilities and foster care facilities, with supporting  
 153 infrastructure and public facilities. The element may include  
 154 provisions that specifically address affordable housing for  
 155 persons 60 years of age or older. Real property that is conveyed  
 156 to a local government for affordable housing under this sub-  
 157 subparagraph shall be disposed of by the local government  
 158 pursuant to s. 125.379 or s. 166.0451.
  - 159 e. Provision for relocation housing and identification of  
 160 historically significant and other housing for purposes of  
 161 conservation, rehabilitation, or replacement.
  - 162 f. The formulation of housing implementation programs.
  - 163 g. The creation or preservation of affordable housing to  
 164 minimize the need for additional local services and avoid the  
 165 concentration of affordable housing units only in specific areas  
 166 of the jurisdiction.
  - 167 h. Energy efficiency in the design and construction of new  
 168 housing.

169 i. Use of renewable energy resources.

170 j. Each county in which the gap between the buying power

171 of a family of four and the median county home sale price

172 exceeds \$170,000, as determined by the Florida Housing Finance

173 Corporation, and which is not designated as an area of critical

174 state concern shall adopt a plan for ensuring affordable

175 workforce housing. At a minimum, the plan shall identify

176 adequate sites for such housing. For purposes of this sub-

177 subparagraph, the term "workforce housing" means housing that is

178 affordable to natural persons or families whose total household

179 income does not exceed 140 percent of the area median income,

180 adjusted for household size.

181 k. As a precondition to receiving any state affordable

182 housing funding or allocation for any project or program within

183 the jurisdiction of a county that is subject to sub-subparagraph

184 j., a county must, by July 1 of each year, provide certification

185 that the county has complied with the requirements of sub-

186 subparagraph j.

187

188 The goals, objectives, and policies of the housing element must

189 be based on the data and analysis prepared on housing needs,

190 including the affordable housing needs assessment. State and

191 federal housing plans prepared on behalf of the local government

192 must be consistent with the goals, objectives, and policies of

193 the housing element. Local governments are encouraged to use job

194 training, job creation, and economic solutions to address a

195 portion of their affordable housing concerns.

196 2. To assist local governments in housing data collection

197 and analysis and assure uniform and consistent information  
 198 regarding the state's housing needs, the state land planning  
 199 agency shall conduct an affordable housing needs assessment for  
 200 all local jurisdictions on a schedule that coordinates the  
 201 implementation of the needs assessment with the evaluation and  
 202 appraisal reports required by s. 163.3191. Each local government  
 203 shall utilize the data and analysis from the needs assessment as  
 204 one basis for the housing element of its local comprehensive  
 205 plan. The agency shall allow a local government the option to  
 206 perform its own needs assessment, if it uses the methodology  
 207 established by the agency by rule.

208 Section 4. Subsections (9), (10), and (13) of section  
 209 201.15, Florida Statutes, are amended to read:

210 201.15 Distribution of taxes collected.—All taxes  
 211 collected under this chapter are subject to the service charge  
 212 imposed in s. 215.20(1). Prior to distribution under this  
 213 section, the Department of Revenue shall deduct amounts  
 214 necessary to pay the costs of the collection and enforcement of  
 215 the tax levied by this chapter. Such costs and the service  
 216 charge may not be levied against any portion of taxes pledged to  
 217 debt service on bonds to the extent that the costs and service  
 218 charge are required to pay any amounts relating to the bonds.  
 219 After distributions are made pursuant to subsection (1), all of  
 220 the costs of the collection and enforcement of the tax levied by  
 221 this chapter and the service charge shall be available and  
 222 transferred to the extent necessary to pay debt service and any  
 223 other amounts payable with respect to bonds authorized before  
 224 January 1, 2010, secured by revenues distributed pursuant to

225 subsection (1). All taxes remaining after deduction of costs and  
 226 the service charge shall be distributed as follows:

227       (9) Seven and fifty-three hundredths ~~The lesser of 7.53~~  
 228 percent of the remaining taxes ~~or \$107 million~~ in each fiscal  
 229 year shall be paid into the State Treasury to the credit of the  
 230 State Housing Trust Fund and used as follows:

231       (a) Half of that amount shall be used for the purposes for  
 232 which the State Housing Trust Fund was created and exists by  
 233 law.

234       (b) Half of that amount shall be paid into the State  
 235 Treasury to the credit of the Local Government Housing Trust  
 236 Fund and used for the purposes for which the Local Government  
 237 Housing Trust Fund was created and exists by law.

238       (10) Eight and sixty-six hundredths ~~The lesser of 8.66~~  
 239 percent of the remaining taxes ~~or \$136 million~~ in each fiscal  
 240 year shall be paid into the State Treasury to the credit of the  
 241 State Housing Trust Fund and used as follows:

242       (a) Twelve and one-half percent of that amount shall be  
 243 deposited into the State Housing Trust Fund and be expended by  
 244 the Department of Community Affairs and by the Florida Housing  
 245 Finance Corporation for the purposes for which the State Housing  
 246 Trust Fund was created and exists by law.

247       (b) Eighty-seven and one-half percent of that amount shall  
 248 be distributed to the Local Government Housing Trust Fund and  
 249 used for the purposes for which the Local Government Housing  
 250 Trust Fund was created and exists by law. Funds from this  
 251 category may also be used to provide for state and local  
 252 services to assist the homeless.



253 (13) In each fiscal year that the remaining taxes exceed  
 254 collections in the prior fiscal year, the stated maximum dollar  
 255 amounts provided in subsections (2), (4), (6), and (7), ~~(9)~~, and  
 256 ~~(10)~~ shall each be increased by an amount equal to 10 percent of  
 257 the increase in the remaining taxes collected under this chapter  
 258 multiplied by the applicable percentage provided in those  
 259 subsections.

260 Section 5. Section 8 of chapter 2009-131, Laws of Florida,  
 261 is repealed, retroactive to June 30, 2009.

262 Section 6. Paragraph (c) of subsection (4) of section  
 263 420.0003, Florida Statutes, is amended to read:

264 420.0003 State housing strategy.—

265 (4) IMPLEMENTATION.—The Department of Community Affairs  
 266 and the Florida Housing Finance Corporation in carrying out the  
 267 strategy articulated herein shall have the following duties:

268 (c) The Shimberg Center for Affordable Housing, in  
 269 consultation with the Department of Community Affairs and the  
 270 Florida Housing Finance Corporation, shall review and evaluate  
 271 existing housing rehabilitation, production, and finance  
 272 programs to determine their consistency with relevant policies  
 273 in this section and identify the needs of specific populations,  
 274 including, but not limited to, elderly persons, ~~and~~ handicapped  
 275 persons, and persons with special needs, and shall recommend  
 276 statutory modifications where appropriate. The Shimberg Center  
 277 for Affordable Housing, in consultation with the Department of  
 278 Community Affairs and the corporation, shall also evaluate the  
 279 degree of coordination between state housing programs, and  
 280 between state, federal, and local housing activities, and shall

281 recommend improved program linkages. The recommendations  
 282 required above and a report of any programmatic modifications  
 283 made as a result of these policies shall be included in the  
 284 housing report required by s. 420.6075, beginning December 31,  
 285 1991, and every 5 years thereafter.

286 Section 7. Section 420.0004, Florida Statutes, is amended  
 287 to read:

288 420.0004 Definitions.—As used in this part, unless the  
 289 context otherwise indicates:

290 (1) "Adjusted for family size" means adjusted in a manner  
 291 which results in an income eligibility level which is lower for  
 292 households with fewer than four people, or higher for households  
 293 with more than four people, than the base income eligibility  
 294 determined as provided in subsection (9) ~~(8)~~, subsection (11)  
 295 ~~(10)~~, subsection (12) ~~(11)~~, or subsection (17) ~~(15)~~, based upon  
 296 a formula as established by the United States Department of  
 297 Housing and Urban Development.

298 (2) "Adjusted gross income" means all wages, assets,  
 299 regular cash or noncash contributions or gifts from persons  
 300 outside the household, and such other resources and benefits as  
 301 may be determined to be income by the United States Department  
 302 of Housing and Urban Development, adjusted for family size, less  
 303 deductions allowable under s. 62 of the Internal Revenue Code.

304 (3) "Affordable" means that monthly rents or monthly  
 305 mortgage payments including taxes, insurance, and utilities do  
 306 not exceed 30 percent of that amount which represents the  
 307 percentage of the median adjusted gross annual income for the

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308 households as indicated in subsection (9) ~~(8)~~, subsection (11)  
 309 ~~(10)~~, subsection (12) ~~(11)~~, or subsection (17) ~~(15)~~.

310 (4) "Corporation" means the Florida Housing Finance  
 311 Corporation.

312 (5) "Community-based organization" or "nonprofit  
 313 organization" means a private corporation organized under  
 314 chapter 617 to assist in the provision of housing and related  
 315 services on a not-for-profit basis and which is acceptable to  
 316 federal and state agencies and financial institutions as a  
 317 sponsor of low-income housing.

318 (6) "Department" means the Department of Community  
 319 Affairs.

320 (7) "Disabling condition" means a diagnosable substance  
 321 abuse disorder, serious mental illness, developmental  
 322 disability, or chronic physical illness or disability, or the  
 323 co-occurrence of two or more of these conditions, and a  
 324 determination that the condition is:

325 (a) Expected to be of long-continued and indefinite  
 326 duration; and

327 (b) Not expected to impair the ability of the person with  
 328 special needs to live independently with appropriate supports.

329 ~~(8)(7)~~ "Elderly" describes persons 62 years of age or  
 330 older.

331 ~~(9)(8)~~ "Extremely-low-income persons" means one or more  
 332 natural persons or a family whose total annual household income  
 333 does not exceed 30 percent of the median annual adjusted gross  
 334 income for households within the state. The Florida Housing  
 335 Finance Corporation may adjust this amount annually by rule to

336 provide that in lower income counties, extremely low income may  
 337 exceed 30 percent of area median income and that in higher  
 338 income counties, extremely low income may be less than 30  
 339 percent of area median income.

340 (10)~~(9)~~ "Local public body" means any county,  
 341 municipality, or other political subdivision, or any housing  
 342 authority as provided by chapter 421, which is eligible to  
 343 sponsor or develop housing for farmworkers and very-low-income  
 344 and low-income persons within its jurisdiction.

345 (11)~~(10)~~ "Low-income persons" means one or more natural  
 346 persons or a family, the total annual adjusted gross household  
 347 income of which does not exceed 80 percent of the median annual  
 348 adjusted gross income for households within the state, or 80  
 349 percent of the median annual adjusted gross income for  
 350 households within the metropolitan statistical area (MSA) or, if  
 351 not within an MSA, within the county in which the person or  
 352 family resides, whichever is greater.

353 (12)~~(11)~~ "Moderate-income persons" means one or more  
 354 natural persons or a family, the total annual adjusted gross  
 355 household income of which is less than 120 percent of the median  
 356 annual adjusted gross income for households within the state, or  
 357 120 percent of the median annual adjusted gross income for  
 358 households within the metropolitan statistical area (MSA) or, if  
 359 not within an MSA, within the county in which the person or  
 360 family resides, whichever is greater.

361 (13) "Person with special needs" means an adult person  
 362 requiring independent living services in order to maintain  
 363 housing or develop independent living skills and who has a

364 disabling condition; a young adult formerly in foster care who  
 365 is eligible for services under s. 409.1451(5); a survivor of  
 366 domestic violence as defined in s. 741.28; or a person receiving  
 367 benefits under the Social Security Disability Insurance (SSDI)  
 368 program or the Supplemental Security Income (SSI) program or  
 369 from veterans' disability benefits.

370 (14)~~(12)~~ "Student" means any person not living with his or  
 371 her parent or guardian who is eligible to be claimed by his or  
 372 her parent or guardian as a dependent under the federal income  
 373 tax code and who is enrolled on at least a half-time basis in a  
 374 secondary school, career center, community college, college, or  
 375 university.

376 (15)~~(13)~~ "Substandard" means:

377 (a) Any unit lacking complete plumbing or sanitary  
 378 facilities for the exclusive use of the occupants;

379 (b) A unit which is in violation of one or more major  
 380 sections of an applicable housing code and where such violation  
 381 poses a serious threat to the health of the occupant; or

382 (c) A unit that has been declared unfit for human  
 383 habitation but that could be rehabilitated for less than 50  
 384 percent of the property value.

385 (16)~~(14)~~ "Substantial rehabilitation" means repair or  
 386 restoration of a dwelling unit where the value of such repair or  
 387 restoration exceeds 40 percent of the value of the dwelling.

388 (17)~~(15)~~ "Very-low-income persons" means one or more  
 389 natural persons or a family, not including students, the total  
 390 annual adjusted gross household income of which does not exceed  
 391 50 percent of the median annual adjusted gross income for

392 households within the state, or 50 percent of the median annual  
 393 adjusted gross income for households within the metropolitan  
 394 statistical area (MSA) or, if not within an MSA, within the  
 395 county in which the person or family resides, whichever is  
 396 greater.

397 Section 8. Section 420.0006, Florida Statutes, is amended  
 398 to read:

399 420.0006 Authority to contract with corporation; contract  
 400 requirements; nonperformance.—The secretary of the department  
 401 shall contract, notwithstanding the provisions of part I of  
 402 chapter 287, with the Florida Housing Finance Corporation on a  
 403 multiyear basis to stimulate, provide, and foster affordable  
 404 housing in the state. The contract must incorporate the  
 405 performance measures required by s. 420.511 and must be  
 406 consistent with the provisions of the corporation's strategic  
 407 plan prepared in accordance with s. 420.511 ~~and compatible with~~  
 408 ~~s. 216.0166~~. The contract must provide that, in the event the  
 409 corporation fails to comply with any of the performance measures  
 410 required by s. 420.511, the secretary shall notify the Governor  
 411 and shall refer the nonperformance to the department's inspector  
 412 general for review and determination as to whether such failure  
 413 is due to forces beyond the corporation's control or whether  
 414 such failure is due to inadequate management of the  
 415 corporation's resources. Advances shall continue to be made  
 416 pursuant to s. 420.0005 during the pendency of the review by the  
 417 department's inspector general. If such failure is due to  
 418 outside forces, it shall not be deemed a violation of the  
 419 contract. If such failure is due to inadequate management, the

420 department's inspector general shall provide recommendations  
 421 regarding solutions. The Governor is authorized to resolve any  
 422 differences of opinion with respect to performance under the  
 423 contract and may request that advances continue in the event of  
 424 a failure under the contract due to inadequate management. The  
 425 Chief Financial Officer shall approve the request absent a  
 426 finding by the Chief Financial Officer that continuing such  
 427 advances would adversely impact the state; however, in any event  
 428 the Chief Financial Officer shall provide advances sufficient to  
 429 meet the debt service requirements of the corporation and  
 430 sufficient to fund contracts committing funds from the State  
 431 Housing Trust Fund so long as such contracts are in accordance  
 432 with the laws of this state. ~~The department inspector general~~  
 433 ~~shall perform for the corporation the functions set forth in s.~~  
 434 ~~20.055 and report to the secretary of the department. The~~  
 435 ~~corporation shall be deemed an agency for the purposes of s.~~  
 436 ~~20.055.~~

437 Section 9. Subsection (3) of section 420.504, Florida  
 438 Statutes, is amended to read:

439 420.504 Public corporation; creation, membership, terms,  
 440 expenses.—

441 (3) The corporation is a separate budget entity and is not  
 442 subject to control, supervision, or direction by the Department  
 443 of Community Affairs in any manner, including, but not limited  
 444 to, personnel, purchasing, transactions involving real or  
 445 personal property, and budgetary matters. The corporation shall  
 446 consist of a board of directors composed of the Secretary of  
 447 Community Affairs as an ex officio and voting member, or a

448 senior-level agency employee designated by the secretary, and  
 449 eight members appointed by the Governor subject to confirmation  
 450 by the Senate from the following:

451 (a) One citizen actively engaged in the residential home  
 452 building industry.

453 (b) One citizen actively engaged in the banking or  
 454 mortgage banking industry.

455 (c) One citizen who is a representative of those areas of  
 456 labor engaged in home building.

457 (d) One citizen with experience in housing development who  
 458 is an advocate for low-income persons.

459 (e) One citizen actively engaged in the commercial  
 460 building industry.

461 (f) One citizen who is a former local government elected  
 462 official.

463 (g) Two citizens of the state who are not principally  
 464 employed as members or representatives of any of the groups  
 465 specified in paragraphs (a)-(f).

466 Section 10. Section 420.506, Florida Statutes, is amended  
 467 to read:

468 420.506 Executive director; agents and employees;  
 469 inspector general.—

470 (1) The appointment and removal of an executive director  
 471 shall be by the Secretary of Community Affairs, with the advice  
 472 and consent of the corporation's board of directors. The  
 473 executive director shall employ legal and technical experts and  
 474 such other agents and employees, permanent and temporary, as the  
 475 corporation may require, and shall communicate with and provide



476 information to the Legislature with respect to the corporation's  
477 activities. The board is authorized, notwithstanding the  
478 provisions of s. 216.262, to develop and implement rules  
479 regarding the employment of employees of the corporation and  
480 service providers, including legal counsel. The board of  
481 directors of the corporation is entitled to establish travel  
482 procedures and guidelines for employees of the corporation. The  
483 executive director's office and the corporation's files and  
484 records must be located in Leon County.

485 (2) The appointment and removal of an inspector general  
486 shall be by the executive director, with the advice and consent  
487 of the corporation's board of directors. The corporation's  
488 inspector general shall perform for the corporation the  
489 functions set forth in s. 20.055. The inspector general shall  
490 administratively report to the executive director. The inspector  
491 general shall meet the minimum qualifications as set forth s.  
492 20.055(4). The corporation may establish additional  
493 qualifications deemed necessary by the board of directors to  
494 meet the unique needs of the corporation. The inspector general  
495 shall be responsible for coordinating the responsibilities set  
496 forth in s. 420.0006.

497 Section 11. Paragraph (a) of subsection (22) and  
498 subsections (33), (46), and (47) of section 420.507, Florida  
499 Statutes, are amended to read:

500 420.507 Powers of the corporation.—The corporation shall  
501 have all the powers necessary or convenient to carry out and  
502 effectuate the purposes and provisions of this part, including

503 the following powers which are in addition to all other powers  
 504 granted by other provisions of this part:

505 (22) To develop and administer the State Apartment  
 506 Incentive Loan Program. In developing and administering that  
 507 program, the corporation may:

508 (a) Make first, second, and other subordinated mortgage  
 509 loans including variable or fixed rate loans subject to  
 510 contingent interest for all State Apartment Incentive Loans  
 511 provided in this chapter based upon available cash flow of the  
 512 projects. The corporation shall make loans exceeding 25 percent  
 513 of project cost only to nonprofit organizations and public  
 514 bodies that are able to secure grants, donations of land, or  
 515 contributions from other sources and to projects meeting the  
 516 criteria of subparagraph 1. Mortgage loans shall be made  
 517 available at the following rates of interest:

518 1. Zero to 3 percent interest for sponsors of projects  
 519 that set aside at least 80 percent of their total units for  
 520 residents qualifying as farmworkers, commercial fishing workers,  
 521 ~~or~~ the homeless as defined in s. 420.621, or persons with  
 522 special needs as defined in s. 420.0004(13) over the life of the  
 523 loan.

524 2. Zero to 3 percent interest based on the pro rata share  
 525 of units set aside for homeless residents or persons with  
 526 special needs if the total of such units is less than 80 percent  
 527 of the units in the borrower's project.

528 3. One to 9 percent interest for sponsors of projects  
 529 targeted at populations other than farmworkers, commercial  
 530 fishing workers, ~~or~~ the homeless, or persons with special needs.

531 (33) To receive federal funding in connection with the  
 532 corporation's programs directly from the Federal Government and  
 533 to receive federal funds for which no corresponding program has  
 534 been created in statute and establish selection criteria for  
 535 such funds by request for proposals or other competitive  
 536 solicitation.

537 (46) To require, as a condition of financing a multifamily  
 538 rental project, that an agreement be recorded in the official  
 539 records of the county where the real property is located, which  
 540 requires that the project be used for housing defined as  
 541 affordable in s. 420.0004(3) by persons defined in s.  
 542 420.0004(9)~~(8)~~, (11)~~(10)~~, (12)~~(11)~~, and (17)~~(15)~~. Such an  
 543 agreement is a state land use regulation that limits the highest  
 544 and best use of the property within the meaning of s.  
 545 193.011(2).

546 (47) To provide by rule, in connection with any  
 547 corporation competitive program, criteria establishing, where  
 548 all other competitive elements are equal, a preference for  
 549 developers and general contractors who demonstrate the highest  
 550 rate of Florida job creation in the development and construction  
 551 of affordable housing domiciled in this state and for developers  
 552 and general contractors, regardless of domicile, who have  
 553 substantial experience in developing or building affordable  
 554 housing through the corporation's programs.

555 ~~(a) In evaluating whether a developer or general~~  
 556 ~~contractor is domiciled in this state, the corporation shall~~  
 557 ~~consider whether the developer's or general contractor's~~  
 558 ~~principal office is located in this state and whether a majority~~

559 ~~of the developer's or general contractor's principals and~~  
 560 ~~financial beneficiaries reside in Florida.~~

561 ~~(b) In evaluating whether a developer or general~~  
 562 ~~contractor has substantial experience, the corporation shall~~  
 563 ~~consider whether the developer or general contractor has~~  
 564 ~~completed at least five developments using funds either provided~~  
 565 ~~by or administered by the corporation.~~

566 Section 12. Subsection (3) and paragraph (c) of subsection  
 567 (6) of section 420.5087, Florida Statutes, are amended to read:

568 420.5087 State Apartment Incentive Loan Program.—There is  
 569 hereby created the State Apartment Incentive Loan Program for  
 570 the purpose of providing first, second, or other subordinated  
 571 mortgage loans or loan guarantees to sponsors, including for-  
 572 profit, nonprofit, and public entities, to provide housing  
 573 affordable to very-low-income persons.

574 (3) During the first 6 months of loan or loan guarantee  
 575 availability, program funds shall be reserved for use by  
 576 sponsors who provide the housing set-aside required in  
 577 subsection (2) for the tenant groups designated in this  
 578 subsection. The reservation of funds to each of these groups  
 579 shall be determined using the most recent statewide very-low-  
 580 income rental housing market study available at the time of  
 581 publication of each notice of fund availability required by  
 582 paragraph (6) (b). The reservation of funds within each notice of  
 583 fund availability to the tenant groups in paragraphs (a), (b),  
 584 and (e) ~~(d)~~ may not be less than 10 percent of the funds  
 585 available at that time. Any increase in funding required to  
 586 reach the 10-percent minimum must be taken from the tenant group

587 that has the largest reservation. The reservation of funds  
 588 within each notice of fund availability to the tenant group in  
 589 paragraph (c) may not be less than 5 percent of the funds  
 590 available at that time. The reservation of funds within each  
 591 notice of fund availability to the tenant group in paragraph (d)  
 592 may not be more than 10 percent of the funds available at that  
 593 time. The tenant groups are:  
 594 (a) Commercial fishing workers and farmworkers;  
 595 (b) Families;  
 596 (c) Persons who are homeless;  
 597 (d) Persons with special needs; and  
 598 (e)~~(d)~~ Elderly persons. Ten percent of the amount reserved  
 599 for the elderly shall be reserved to provide loans to sponsors  
 600 of housing for the elderly for the purpose of making building  
 601 preservation, health, or sanitation repairs or improvements  
 602 which are required by federal, state, or local regulation or  
 603 code, or lifesafety or security-related repairs or improvements  
 604 to such housing. Such a loan may not exceed \$750,000 per housing  
 605 community for the elderly. In order to receive the loan, the  
 606 sponsor of the housing community must make a commitment to match  
 607 at least 5 percent of the loan amount to pay the cost of such  
 608 repair or improvement. The corporation shall establish the rate  
 609 of interest on the loan, which may not exceed 3 percent, and the  
 610 term of the loan, which may not exceed 15 years; however, if the  
 611 lien of the corporation's encumbrance is subordinate to the lien  
 612 of another mortgagee, then the term may be made coterminous with  
 613 the longest term of the superior lien. The term of the loan  
 614 shall be based on a credit analysis of the applicant. The

615 corporation may forgive indebtedness for a share of the loan  
 616 attributable to the units in a project reserved for extremely-  
 617 low-income elderly by nonprofit organizations, as defined in s.  
 618 420.0004(5), where the project has provided affordable housing  
 619 to the elderly for 15 years or more. The corporation shall  
 620 establish, by rule, the procedure and criteria for receiving,  
 621 evaluating, and competitively ranking all applications for loans  
 622 under this paragraph. A loan application must include evidence  
 623 of the first mortgagee's having reviewed and approved the  
 624 sponsor's intent to apply for a loan. A nonprofit organization  
 625 or sponsor may not use the proceeds of the loan to pay for  
 626 administrative costs, routine maintenance, or new construction.

627 (6) On all state apartment incentive loans, except loans  
 628 made to housing communities for the elderly to provide for  
 629 lifesafety, building preservation, health, sanitation, or  
 630 security-related repairs or improvements, the following  
 631 provisions shall apply:

632 (c) The corporation shall provide by rule for the  
 633 establishment of a review committee composed of the department  
 634 and corporation staff and shall establish by rule a scoring  
 635 system for evaluation and competitive ranking of applications  
 636 submitted in this program, including, but not limited to, the  
 637 following criteria:

638 1. Tenant income and demographic targeting objectives of  
 639 the corporation.

640 2. Targeting objectives of the corporation which will  
 641 ensure an equitable distribution of loans between rural and  
 642 urban areas.

643 3. Sponsor's agreement to reserve the units for persons or  
 644 families who have incomes below 50 percent of the state or local  
 645 median income, whichever is higher, for a time period to exceed  
 646 the minimum required by federal law or the provisions of this  
 647 part.

648 4. Sponsor's agreement to reserve more than:

649 a. Twenty percent of the units in the project for persons  
 650 or families who have incomes that do not exceed 50 percent of  
 651 the state or local median income, whichever is higher; or

652 b. Forty percent of the units in the project for persons  
 653 or families who have incomes that do not exceed 60 percent of  
 654 the state or local median income, whichever is higher, without  
 655 requiring a greater amount of the loans as provided in this  
 656 section.

657 5. Provision for tenant counseling.

658 6. Sponsor's agreement to accept rental assistance  
 659 certificates or vouchers as payment for rent.

660 7. Projects requiring the least amount of a state  
 661 apartment incentive loan compared to overall project cost except  
 662 that the share of the loan attributable to units serving  
 663 extremely-low-income persons shall be excluded from this  
 664 requirement.

665 8. Local government contributions and local government  
 666 comprehensive planning and activities that promote affordable  
 667 housing.

668 9. Project feasibility.

669 10. Economic viability of the project.

670 11. Commitment of first mortgage financing.

671 12. Sponsor's prior experience, ~~including whether the~~  
 672 ~~developer and general contractor have substantial experience, as~~  
 673 ~~provided in s. 420.507(47).~~

674 13. Sponsor's ability to proceed with construction.

675 14. Projects that directly implement or assist welfare-to-  
 676 work transitioning.

677 15. Projects that reserve units for extremely-low-income  
 678 persons.

679 16. Projects that include green building principles,  
 680 storm-resistant construction, or other elements that reduce  
 681 long-term costs relating to maintenance, utilities, or  
 682 insurance.

683 17. Job-creation rate ~~Domicile~~ of the developer and  
 684 general contractor, as provided in s. 420.507(47).

685 Section 13. Paragraphs (d), (e), (f), and (g) of  
 686 subsection (2) of section 163.31771, Florida Statutes, are  
 687 amended to read:

688 163.31771 Accessory dwelling units.-

689 (2) As used in this section, the term:

690 (d) "Low-income persons" has the same meaning as in s.  
 691 420.0004 (11) ~~(10)~~.

692 (e) "Moderate-income persons" has the same meaning as in  
 693 s. 420.0004 (12) ~~(11)~~.

694 (f) "Very-low-income persons" has the same meaning as in  
 695 s. 420.0004 (17) ~~(15)~~.

696 (g) "Extremely-low-income persons" has the same meaning as  
 697 in s. 420.0004 (9) ~~(8)~~.



698 Section 14. Paragraph (o) of subsection (5) of section  
 699 212.08, Florida Statutes, is amended to read:

700 212.08 Sales, rental, use, consumption, distribution, and  
 701 storage tax; specified exemptions.—The sale at retail, the  
 702 rental, the use, the consumption, the distribution, and the  
 703 storage to be used or consumed in this state of the following  
 704 are hereby specifically exempt from the tax imposed by this  
 705 chapter.

706 (5) EXEMPTIONS; ACCOUNT OF USE.—

707 (o) Building materials in redevelopment projects.—

708 1. As used in this paragraph, the term:

709 a. "Building materials" means tangible personal property  
 710 that becomes a component part of a housing project or a mixed-  
 711 use project.

712 b. "Housing project" means the conversion of an existing  
 713 manufacturing or industrial building to housing units in an  
 714 urban high-crime area, enterprise zone, empowerment zone, Front  
 715 Porch Community, designated brownfield area, or urban infill  
 716 area and in which the developer agrees to set aside at least 20  
 717 percent of the housing units in the project for low-income and  
 718 moderate-income persons or the construction in a designated  
 719 brownfield area of affordable housing for persons described in  
 720 s. 420.0004 (9)~~(8)~~, (11)~~(10)~~, (12)~~(11)~~, or (17)~~(15)~~ or in s.  
 721 159.603(7).

722 c. "Mixed-use project" means the conversion of an existing  
 723 manufacturing or industrial building to mixed-use units that  
 724 include artists' studios, art and entertainment services, or  
 725 other compatible uses. A mixed-use project must be located in an

726 urban high-crime area, enterprise zone, empowerment zone, Front  
 727 Porch Community, designated brownfield area, or urban infill  
 728 area, and the developer must agree to set aside at least 20  
 729 percent of the square footage of the project for low-income and  
 730 moderate-income housing.

731 d. "Substantially completed" has the same meaning as  
 732 provided in s. 192.042(1).

733 2. Building materials used in the construction of a  
 734 housing project or mixed-use project are exempt from the tax  
 735 imposed by this chapter upon an affirmative showing to the  
 736 satisfaction of the department that the requirements of this  
 737 paragraph have been met. This exemption inures to the owner  
 738 through a refund of previously paid taxes. To receive this  
 739 refund, the owner must file an application under oath with the  
 740 department which includes:

741 a. The name and address of the owner.

742 b. The address and assessment roll parcel number of the  
 743 project for which a refund is sought.

744 c. A copy of the building permit issued for the project.

745 d. A certification by the local building code inspector  
 746 that the project is substantially completed.

747 e. A sworn statement, under penalty of perjury, from the  
 748 general contractor licensed in this state with whom the owner  
 749 contracted to construct the project, which statement lists the  
 750 building materials used in the construction of the project and  
 751 the actual cost thereof, and the amount of sales tax paid on  
 752 these materials. If a general contractor was not used, the owner  
 753 shall provide this information in a sworn statement, under

754 penalty of perjury. Copies of invoices evidencing payment of  
 755 sales tax must be attached to the sworn statement.

756 3. An application for a refund under this paragraph must  
 757 be submitted to the department within 6 months after the date  
 758 the project is deemed to be substantially completed by the local  
 759 building code inspector. Within 30 working days after receipt of  
 760 the application, the department shall determine if it meets the  
 761 requirements of this paragraph. A refund approved pursuant to  
 762 this paragraph shall be made within 30 days after formal  
 763 approval of the application by the department.

764 4. The department shall establish by rule an application  
 765 form and criteria for establishing eligibility for exemption  
 766 under this paragraph.

767 5. The exemption shall apply to purchases of materials on  
 768 or after July 1, 2000.

769 Section 15. Paragraphs (a) and (g) of subsection (2) of  
 770 section 215.5586, Florida Statutes, are amended to read:

771 215.5586 My Safe Florida Home Program.—There is  
 772 established within the Department of Financial Services the My  
 773 Safe Florida Home Program. The department shall provide fiscal  
 774 accountability, contract management, and strategic leadership  
 775 for the program, consistent with this section. This section does  
 776 not create an entitlement for property owners or obligate the  
 777 state in any way to fund the inspection or retrofitting of  
 778 residential property in this state. Implementation of this  
 779 program is subject to annual legislative appropriations. It is  
 780 the intent of the Legislature that the My Safe Florida Home  
 781 Program provide trained and certified inspectors to perform

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782 inspections for owners of site-built, single-family, residential  
 783 properties and grants to eligible applicants as funding allows.  
 784 The program shall develop and implement a comprehensive and  
 785 coordinated approach for hurricane damage mitigation that may  
 786 include the following:

787 (2) MITIGATION GRANTS.—Financial grants shall be used to  
 788 encourage single-family, site-built, owner-occupied, residential  
 789 property owners to retrofit their properties to make them less  
 790 vulnerable to hurricane damage.

791 (a) For a homeowner to be eligible for a grant, the  
 792 following criteria must be met:

793 1. The homeowner must have been granted a homestead  
 794 exemption on the home under chapter 196.

795 2. The home must be a dwelling with an insured value of  
 796 \$300,000 or less. Homeowners who are low-income persons, as  
 797 defined in s. 420.0004~~(11)~~(10), are exempt from this  
 798 requirement.

799 3. The home must have undergone an acceptable hurricane  
 800 mitigation inspection after May 1, 2007.

801 4. The home must be located in the "wind-borne debris  
 802 region" as that term is defined in s. 1609.2, International  
 803 Building Code (2006), or as subsequently amended.

804 5. The building permit application for initial  
 805 construction of the home must have been made before March 1,  
 806 2002.

807

808 An application for a grant must contain a signed or  
 809 electronically verified statement made under penalty of perjury

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810 that the applicant has submitted only a single application and  
 811 must have attached documents demonstrating the applicant meets  
 812 the requirements of this paragraph.

813 (g) Low-income homeowners, as defined in s.  
 814 420.0004~~(11)-(10)~~, who otherwise meet the requirements of  
 815 paragraphs (a), (c), (e), and (f) are eligible for a grant of up  
 816 to \$5,000 and are not required to provide a matching amount to  
 817 receive the grant. Additionally, for low-income homeowners,  
 818 grant funding may be used for repair to existing structures  
 819 leading to any of the mitigation improvements provided in  
 820 paragraph (e), limited to 20 percent of the grant value. The  
 821 program may accept a certification directly from a low-income  
 822 homeowner that the homeowner meets the requirements of s.  
 823 420.0004~~(11)-(10)~~ if the homeowner provides such certification in  
 824 a signed or electronically verified statement made under penalty  
 825 of perjury.

826 Section 16. Subsection (19) of section 420.503, Florida  
 827 Statutes, is amended to read:

828 420.503 Definitions.—As used in this part, the term:

829 (19) "Housing for the elderly" means, for purposes of s.  
 830 420.5087(3)~~(e)-(d)~~, any nonprofit housing community that is  
 831 financed by a mortgage loan made or insured by the United States  
 832 Department of Housing and Urban Development under s. 202, s. 202  
 833 with a s. 8 subsidy, s. 221(d)(3) or (4), or s. 236 of the  
 834 National Housing Act, as amended, and that is subject to income  
 835 limitations established by the United States Department of  
 836 Housing and Urban Development, or any program funded by the  
 837 Rural Development Agency of the United States Department of

838 Agriculture and subject to income limitations established by the  
 839 United States Department of Agriculture. A project which  
 840 qualifies for an exemption under the Fair Housing Act as housing  
 841 for older persons as defined by s. 760.29(4) shall qualify as  
 842 housing for the elderly for purposes of s. 420.5087(3) ~~(e)-(d)~~ and  
 843 for purposes of any loans made pursuant to s. 420.508. In  
 844 addition, if the corporation adopts a qualified allocation plan  
 845 pursuant to s. 42(m)(1)(B) of the Internal Revenue Code or any  
 846 other rules that prioritize projects targeting the elderly for  
 847 purposes of allocating tax credits pursuant to s. 420.5099 or  
 848 for purposes of the HOME program under s. 420.5089, a project  
 849 which qualifies for an exemption under the Fair Housing Act as  
 850 housing for older persons as defined by s. 760.29(4) shall  
 851 qualify as a project targeted for the elderly, if the project  
 852 satisfies the other requirements set forth in this part.

853       Section 17. (1) The Legislature finds that due to the  
 854 current economic conditions in the housing market there is a  
 855 critical need to rehabilitate or sell excess inventory of unsold  
 856 homes, including foreclosed homes and newly constructed homes,  
 857 as well as a critical need for the rehabilitation and  
 858 preservation of older, affordable apartments. The Legislature  
 859 further finds that there is a critical need to create housing-  
 860 related jobs and that these conditions require the targeting of  
 861 state and local housing trust fund moneys to assist in the sale  
 862 or rehabilitation of existing homes and the preservation and  
 863 rehabilitation of older rental apartments.

864       (2) Notwithstanding ss. 420.507(22)(a) and (23)(a),  
 865 420.5087(6)(1), 420.5088, 420.5095, and 420.9075(1)(b) and

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866 (5) (b), Florida Statutes, funds from the State Housing Trust  
 867 Fund or the Local Government Housing Trust Fund that are  
 868 appropriated for use in the State Apartment Incentive Loan  
 869 Program, Florida Homeownership Assistance Program, Community  
 870 Workforce Housing Innovation Pilot Program, or the State Housing  
 871 Initiatives Partnership Program may not be used to:

872 (a) Finance or otherwise assist the construction or  
 873 purchase of housing sold to eligible individuals, unless the  
 874 housing unit being sold had an initial certificate of occupancy  
 875 prior to December 31, 2010; or

876 (b) Finance or otherwise assist in the construction or  
 877 purchase of rental housing, unless the development being  
 878 financed or assisted received its initial certificate of  
 879 occupancy prior to December 31, 1996.

880  
 881 Nothing in this section restricts the use of such funds to  
 882 assist with the purchase of newly constructed homes that were  
 883 completed prior to December 31, 2010, or the acquisition and  
 884 rehabilitation of apartments that received their initial  
 885 certificate of occupancy prior to December 31, 1996. The use of  
 886 such funds is subject to the restrictions of the program under  
 887 which the funding is made available.

888 (3) This section expires July 1, 2012.



889 Section 18. This act shall take effect July 1, 2011.





## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** PCB TEDAS 11-03 Department of Highway Safety and Motor Vehicles  
**SPONSOR(S):** Transportation & Economic Development Appropriations Subcommittee  
**TIED BILLS:**           **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Transportation & Economic Development Appropriations Subcommittee		Rayman 	Davis 

### SUMMARY ANALYSIS

Proposed Committee Bill TEDAS 11-03 provides for the consolidation of functions within the Department of Highway Safety and Motor Vehicles by eliminating the Divisions of Driver Licenses and Motor Vehicles and creating the Division of Motorist Services. The bill makes changes to cross references throughout Florida Statutes, conforming to the new division.

The bill continues the transition of all driver license issuance services to tax collectors who are Constitutional officers. Specifically, the bill:

- Authorizes a tax collector to establish a branch office to conduct state business;
- Authorizes all county tax collectors, who are constitutional officers, as driver license agents upon such application;
- Provides all tax collectors, who are constitutional officers, shall assume all driver license issuance services by December 31, 2013;
- Authorizes the department to adopt rules and allow counties to create agreements to provide driver license services across county lines;
- Provides for revenue sharing between the department and tax collectors for replacement driver licenses and replacement identification cards.

The bill conforms to the House of Representatives proposed General Appropriations Act by realigning the department's budget authority to accommodate their structural shift to the Division of Motorist Services, and reduces budget authority to further the transition of driver license services to tax collectors.

The bill is estimated to have a positive fiscal impact on the Highway Safety Operating Trust Fund; approximately \$2.1 million in FY 2011-12.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

##### Current Situation

Chapter 20, F.S., provides the organizational structure for the various departments. Currently, section 20.24, F.S., provides for the establishment of the Department of Highway Safety and Motor Vehicles and three divisions within its structure to maintain safety on the highways, directly and in a supporting role. These are the Division of the Florida Highway Patrol (FHP), Division of Driver Licenses (DL), and the Division of Motor Vehicles (DMV).

Chapter 322, F.S., provides for driver license issuance, driver regulation, driver education, and problem driver improvement. Currently, the department shall authorize any or all tax collectors to serve as agents of the department upon application for specified driver's license services. However, all revenues associated with replacement driver licenses and identification cards are deposited in either the Highway Safety Operating Trust Fund or the General Revenue Fund, regardless of whether the department or a tax collector provides the service. This section also provides that the department, in conjunction with Florida Tax Collectors Association and the Florida Association of Counties, develop a plan to transition all driver license issuance services to county tax collectors and report their findings to the Legislature.

##### Proposed Changes

This bill amends section 20.24, F.S., to create a Division of Motorist Services within the department while eliminating the Division of Driver Licenses (DL) and the Division of Motor Vehicles (DMV) as two separate entities. The Division of Motorist Services is a merger of the DL and the DMV. Since the two divisions have similar functions and serve the same customers, merging the divisions will allow the department to capitalize on operational efficiencies and result in cost savings while enhancing customer service delivery.

This bill creates section 218.337, F.S., to provide that a tax collector may establish one or more branch offices by acquiring title to real property or by lease agreement. The tax collector may staff such branch offices to conduct state business only upon execution of an interagency agreement or, if authorized to do so by resolution of the county governing body, conduct business pursuant to s. (1) (k), Art. VIII of the State Constitution. The Department of Financial Services shall rely on the tax collector's determination that a branch office is necessary and shall base its approval of the tax collector's budget in accordance with the procedures of section 195.087(2), F.S.

This bill amends section 322.135, F.S., to provide that the department shall, upon application, authorize by interagency agreement all of the tax collectors who are constitutional officers to provide specified driver's license services.<sup>1</sup> All driver license issuance services shall be assumed by these tax collectors no later than December 31, 2013.

The department is authorized to adopt rules to create exceptions for small counties who cannot provide full driver license services; and counties may create inter-local agreements to provide licensing services across county lines. This section is also amended to delete language regarding the development and submittal of the transition plan.

Finally, the bill amends section 322.21(1), F.S., providing a revenue sharing arrangement between the department and the tax collector, depending on who provides the service. This bill allows the tax collector to retain the portion of funds previously deposited into the Highway Safety Highway Operating Trust Fund for all replacement driver license and identification cards issued at a tax collector office.

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<sup>1</sup> Tax Collectors are constitutional officers in 64 of 67 counties. Dade, Broward, and Volusia counties are the three exceptions.

The Tax Collector would retain \$7 of the \$25 fee if they issue a replacement driver's license and \$9 of the \$25 fee if they issue a replacement identification card.

**B. SECTION DIRECTORY:**

**Section 1.** Amends section 20.24, F.S., conforming to the new division.

**Section 2.** Amends section 218.337, F.S., adds paragraph to allow tax collector to establish branch office to conduct state business upon execution of an interagency agreement.

**Section 3.** Amends section 288.816, F.S., conforming to the new division.

**Section 4.** Amends section 311.121, F.S., conforming to the new division.

**Section 5.** Amends section 316.1957, F.S., conforming to the new division.

**Section 6.** Amends section 316.613, F.S., conforming to the new division.

**Section 7.** Amends section 318.15, F.S., conforming to the new division.

**Section 8.** Amends section 320.05, F.S., conforming to the new division.

**Section 9.** Amends section 320.275, F.S., conforming to the new division.

**Section 10.** Amends section 322.02, F.S., conforming to the new division.

**Section 11.** Amends section 322.135, F.S., amends the section to authorize by an interagency agreement that tax collectors as constitutional officers under s. 1(d), Art. VIII of the State Constitution, may serve as the department's agent to issue driver's licenses.

**Section 12.** Amends section 322.20, F.S., conforming to the new division.

**Section 13.** Amends section 322.202, F.S., conforming to the new division.

**Section 14.** Amends section 322.21, F.S., conforming to the new division and amending language to allow for revenue sharing by the tax collector if the replacement driver's license or replacement identification card is issued by the tax collector.

**Section 15.** Amends section 413.012, F.S., conforming to the new division.

**Section 16.** Provides the bill an effective date of July 1, 2011.

**II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

**A. FISCAL IMPACT ON STATE GOVERNMENT:**

**1. Revenues:**

Based on driver license and identification issuances, current projections for the revenue sharing arrangement indicate an approximate loss of revenue of \$3.1M in the Highway Safety Operating Trust Fund for FY 2011-12.

**2. Expenditures:**

Savings from facility operating costs and salaries and benefits are estimated at \$5.1M for FY 2011-12.

**B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

1. Revenues:

Based on driver license and identification issuances, current projections for the revenue sharing arrangement indicate an approximate increase of revenue for tax collectors of \$3.1M for FY 2011-12.

2. Expenditures:

Indeterminate. Personnel and facility operating cost needs of individual tax collectors involved in this transition cannot be quantified at this time.

**C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

None.

**D. FISCAL COMMENTS:**

Based on transition plan recommendations between the department and the tax collectors, this bill allows the tax collector to retain the portion of funds previously deposited into the Highway Safety Highway Operating Trust Fund for all replacement driver license and identification cards issued at a tax collector office. Issuance data from the fiscal year ending June 30, 2010, indicates this arrangement would provide a total additional \$5,755,177 in revenues to the tax collectors upon full transition of license services. However, the trust fund would lose the same amount in funding.

Revenue Sharing Estimate:

FY 2011-12: \$3,050,244

FY 2012-13: \$4,489,038

FY 2013-14: \$5,467,418

FY 2014-15: \$5,755,177 (when full transition annualized)

Total savings comes from salaries and benefits, and facility operating costs for the state offices that would be closed during the transition. The cumulative effect, when coupled with the revenue sharing provisions, would give the department an annualized net savings estimated at \$16 million when fully implemented.

**III. COMMENTS**

**A. CONSTITUTIONAL ISSUES:**

1. Applicability of Municipality/County Mandates Provision:

This bill does not reduce the authority that municipalities have to raise revenue.

2. Other:

None.

**B. RULE-MAKING AUTHORITY:**

None.

**C. DRAFTING ISSUES OR OTHER COMMENTS:**

None.

#### **IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES**

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A bill to be entitled  
 An act relating to the Department of Highway Safety and  
 Motor Vehicles; amending s. 20.24, F.S.; reorganizing the  
 department into two divisions; removing provisions for the  
 Divisions of Driver Licenses and Motor Vehicles;  
 establishing the Division of Motorist Services; creating  
 s. 218.337, F.S.; providing for a tax collector to  
 establish branch offices to conduct state or county  
 business; providing for approval of the tax collector's  
 budget by the Department of Financial Services; amending  
 ss. 288.816, 311.121, 316.1957, 316.613, 318.15, 320.05,  
 320.275, 322.20, and 413.012, F.S., relating to issuance  
 of special license plates to officials of foreign  
 governments, seaport security officer qualifications and  
 training coordinating council, parking violations, child  
 restraint devices, failure to comply or to appear,  
 creation and maintenance of records, appointments to the  
 Automobile Dealers Industry Advisory Board, records of the  
 department, and disclosure of confidential records,  
 respectively; conforming provisions to the reorganization  
 of the department; specifying that creation and  
 maintenance of records by the Division of Motorist  
 Services pursuant to specified provisions shall not be  
 regarded as law enforcement functions of agency  
 recordkeeping; amending s. 322.02, F.S.; providing for the  
 department to employ a director to serve as the executive  
 officer of the Division of Motorist Services for  
 administration of specified provisions relating to

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29 driver's licenses; amending s. 322.135, F.S.; revising  
30 provisions for the department to authorize tax collectors  
31 to act as agents for the provision of driver's license  
32 services; providing for certain tax collectors to assume  
33 all driver's license issuance services; authorizing the  
34 department to adopt rules to exempt certain counties from  
35 providing such services; providing for a county tax  
36 collector to provide driver's license services for another  
37 county under an interlocal agreement; amending s. 322.202,  
38 F.S.; providing legislative findings relating to arrests  
39 based on information obtained from the Division of  
40 Motorist Services; amending s. 322.21, F.S.; revising  
41 distribution of certain fees collected for issuance of  
42 replacement driver's licenses and identification cards;  
43 revising certain duties to conform to the reorganization  
44 of the department; providing an effective date.

45

46 Be It Enacted by the Legislature of the State of Florida:

47

48 Section 1. Section 20.24, Florida Statutes, is amended to  
49 read:

50 20.24 Department of Highway Safety and Motor Vehicles.—

51 There is created a Department of Highway Safety and Motor  
52 Vehicles.

53 (1) The head of the Department of Highway Safety and Motor  
54 Vehicles is the Governor and Cabinet.

55 (2) The following divisions, ~~and bureaus within the~~  
56 ~~divisions,~~ of the Department of Highway Safety and Motor

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57 Vehicles are established:

58 (a) Division of the Florida Highway Patrol.

59 (b) Division of Motorist Services.

60 ~~(b) Division of Driver Licenses.~~

61 ~~(c) Division of Motor Vehicles.~~

62 Section 2. Section 218.337, Florida Statutes, is created  
63 to read:

64 218.337 Tax collectors; branch offices.—A tax collector  
65 may establish one or more branch offices by acquiring title to  
66 real property or by lease agreement. The tax collector may staff  
67 and equip such branch offices to conduct state business only  
68 upon execution of an interagency agreement or, if authorized to  
69 do so by resolution of the county governing body, conduct  
70 business pursuant to s. (1)(k), Art. VIII of the State  
71 Constitution. The department shall rely on the tax collector's  
72 determination that a branch office is necessary and shall base  
73 its approval of the tax collector's budget in accordance with  
74 the procedures of s. 195.087(2).

75 Section 3. Paragraph (e) of subsection (2) of section  
76 288.816, Florida Statutes, is amended to read:

77 288.816 Intergovernmental relations.—

78 (2) The Office of Tourism, Trade, and Economic Development  
79 shall be responsible for all consular relations between the  
80 state and all foreign governments doing business in Florida. The  
81 office shall monitor United States laws and directives to ensure  
82 that all federal treaties regarding foreign privileges and  
83 immunities are properly observed. The office shall promulgate  
84 rules which shall:



85 (e) Verify entitlement to issuance of special motor  
 86 vehicle license plates by the ~~Division of Motor Vehicles of the~~  
 87 Department of Highway Safety and Motor Vehicles to honorary  
 88 consuls or such other officials representing foreign governments  
 89 who are not entitled to issuance of special Consul Corps license  
 90 plates by the United States Government.

91 Section 4. Paragraph (a) of subsection (3) of section  
 92 311.121, Florida Statutes, is amended to read:

93 311.121 Qualifications, training, and certification of  
 94 licensed security officers at Florida seaports.—

95 (3) The Seaport Security Officer Qualification, Training,  
 96 and Standards Coordinating Council is created under the  
 97 Department of Law Enforcement.

98 (a) The executive director of the Department of Law  
 99 Enforcement shall appoint 11 members to the council, to include:

100 1. The seaport administrator of the Department of Law  
 101 Enforcement.

102 2. The Commissioner of Education or his or her designee.

103 3. The director of the Division of Licensing of the  
 104 Department of Agriculture and Consumer Services.

105 4. The administrator of the Florida Seaport Transportation  
 106 and Economic Development Council.

107 5. Two seaport security directors from seaports designated  
 108 under s. 311.09.

109 6. One director of a state law enforcement academy.

110 7. One representative of a local law enforcement agency.

111 8. Two representatives of contract security services.

112 9. One representative of the ~~Division of Driver Licenses~~

113 ~~of the~~ Department of Highway Safety and Motor Vehicles.

114 Section 5. Section 316.1957, Florida Statutes, is amended  
115 to read:

116 316.1957 Parking violations; designated parking spaces for  
117 persons who have disabilities.—When evidence is presented in any  
118 court of the fact that any motor vehicle was parked in a  
119 properly designated parking space for persons who have  
120 disabilities in violation of s. 316.1955, it is prima facie  
121 evidence that the vehicle was parked and left in the space by  
122 the person, firm, or corporation in whose name the vehicle is  
123 registered and licensed according to the records of the  
124 department ~~Division of Motor Vehicles~~.

125 Section 6. Paragraph (b) of subsection (1) of section  
126 316.613, Florida Statutes, is amended to read:

127 316.613 Child restraint requirements.—

128 (1)

129 (b) The department ~~Division of Motor Vehicles~~ shall  
130 provide notice of the requirement for child restraint devices,  
131 which notice shall accompany the delivery of each motor vehicle  
132 license tag.

133 Section 7. Paragraph (a) of subsection (1) of section  
134 318.15, Florida Statutes, is amended to read:

135 318.15 Failure to comply with civil penalty or to appear;  
136 penalty.—

137 (1)(a) If a person fails to comply with the civil  
138 penalties provided in s. 318.18 within the time period specified  
139 in s. 318.14(4), fails to enter into or comply with the terms of  
140 a penalty payment plan with the clerk of the court in accordance

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141 with ss. 318.14 and 28.246, fails to attend driver improvement  
 142 school, or fails to appear at a scheduled hearing, the clerk of  
 143 the court shall notify the ~~Division of Driver Licenses of the~~  
 144 Department of Highway Safety and Motor Vehicles of such failure  
 145 within 10 days after such failure. Upon receipt of such notice,  
 146 the department shall immediately issue an order suspending the  
 147 driver's license and privilege to drive of such person effective  
 148 20 days after the date the order of suspension is mailed in  
 149 accordance with s. 322.251(1), (2), and (6). Any such suspension  
 150 of the driving privilege which has not been reinstated,  
 151 including a similar suspension imposed outside Florida, shall  
 152 remain on the records of the department for a period of 7 years  
 153 from the date imposed and shall be removed from the records  
 154 after the expiration of 7 years from the date it is imposed.

155 Section 8. Paragraph (b) of subsection (3) and subsection  
 156 (5) of section 320.05, Florida Statutes, are amended to read:

157 320.05 Records of the department; inspection procedure;  
 158 lists and searches; fees.-

159 (3)

160 (b) Fees therefor shall be charged and collected as  
 161 follows:

162 1. For providing lists of motor vehicle or vessel records  
 163 for the entire state, or any part or parts thereof, divided  
 164 according to counties, a sum computed at a rate of not less than  
 165 1 cent nor more than 5 cents per item.

166 2. For providing noncertified photographic copies of motor  
 167 vehicle or vessel documents, \$1 per page.

168 3. For providing noncertified photographic copies of

- 169 micrographic records, \$1 per page.
- 170 4. For providing certified copies of motor vehicle or  
171 vessel records, \$3 per record.
- 172 5. For providing noncertified computer-generated printouts  
173 of motor vehicle or vessel records, 50 cents per record.
- 174 6. For providing certified computer-generated printouts of  
175 motor vehicle or vessel records, \$3 per record.
- 176 7. For providing electronic access to motor vehicle,  
177 vessel, and mobile home registration data requested by tag,  
178 vehicle identification number, title number, or decal number, 50  
179 cents per item.
- 180 8. For providing electronic access to driver's license  
181 status report by name, sex, and date of birth or by driver  
182 license number, 50 cents per item.
- 183 9. For providing lists of licensed mobile home dealers and  
184 manufacturers and recreational vehicle dealers and  
185 manufacturers, \$15 per list.
- 186 10. For providing lists of licensed motor vehicle dealers,  
187 \$25 per list.
- 188 11. For each copy of a videotape record, \$15 per tape.
- 189 12. For each copy of the Division of Motorist Services  
190 ~~Motor Vehicles~~ Procedures Manual, \$25.
- 191 (5) The creation and maintenance of records by the  
192 Division of Motorist Services within the department ~~and the~~  
193 ~~Division of Motor Vehicles~~ pursuant to this chapter shall not be  
194 regarded as law enforcement functions of agency recordkeeping.
- 195 Section 9. Paragraphs (a) and (b) of subsection (2) of  
196 section 320.275, Florida Statutes, are amended to read:

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197 | 320.275 Automobile Dealers Industry Advisory Board.—  
 198 | (2) MEMBERSHIP, TERMS, MEETINGS.—  
 199 | (a) The board shall be composed of 12 members. The  
 200 | executive director of the Department of Highway Safety and Motor  
 201 | Vehicles shall appoint the members from names submitted by the  
 202 | entities for the designated categories the member will  
 203 | represent. The executive director shall appoint one  
 204 | representative of the Department of Highway Safety and Motor  
 205 | Vehicles, ~~who must represent the Division of Motor Vehicles;~~ two  
 206 | representatives of the independent motor vehicle industry as  
 207 | recommended by the Florida Independent Automobile Dealers  
 208 | Association; two representatives of the franchise motor vehicle  
 209 | industry as recommended by the Florida Automobile Dealers  
 210 | Association; one representative of the auction motor vehicle  
 211 | industry who is from an auction chain and is recommended by a  
 212 | group affiliated with the National Auto Auction Association; one  
 213 | representative of the auction motor vehicle industry who is from  
 214 | an independent auction and is recommended by a group affiliated  
 215 | with the National Auto Auction Association; one representative  
 216 | from the Department of Revenue; a Florida tax collector  
 217 | representative recommended by the Florida Tax Collectors  
 218 | Association; one representative from the Better Business Bureau;  
 219 | one representative from the Department of Agriculture and  
 220 | Consumer Services, who must represent the Division of Consumer  
 221 | Services; and one representative of the insurance industry who  
 222 | writes motor vehicle dealer surety bonds.  
 223 | (b)1. The executive director shall appoint the following  
 224 | initial members to 1-year terms: one representative from the

225 motor vehicle auction industry who represents an auction chain,  
 226 one representative from the independent motor vehicle industry,  
 227 one representative from the franchise motor vehicle industry,  
 228 one representative from the Department of Revenue, one Florida  
 229 tax collector, and one representative from the Better Business  
 230 Bureau.

231 2. The executive director shall appoint the following  
 232 initial members to 2-year terms: one representative from the  
 233 motor vehicle auction industry who represents an independent  
 234 auction, one representative from the independent motor vehicle  
 235 industry, one representative from the franchise motor vehicle  
 236 industry, one representative from the Division of Consumer  
 237 Services, one representative from the insurance industry, and  
 238 one representative from the department ~~Division of Motor~~  
 239 ~~Vehicles~~.

240 3. As the initial terms expire, the executive director  
 241 shall appoint successors from the same designated category for  
 242 terms of 2 years. If renominated, a member may succeed himself  
 243 or herself.

244 4. The board shall appoint a chair and vice chair at its  
 245 initial meeting and every 2 years thereafter.

246 Section 10. Subsection (3) of section 322.02, Florida  
 247 Statutes, is amended to read:

248 322.02 Legislative intent; administration.—

249 (3) The department shall employ a director, who is charged  
 250 with the duty of serving as the executive officer of the  
 251 Division of Motorist Services ~~Driver Licenses~~ of the department  
 252 insofar as the administration of this chapter is concerned. He

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253 or she shall be subject to the supervision and direction of the  
 254 department, and his or her official actions and decisions as  
 255 executive officer shall be conclusive unless the same are  
 256 superseded or reversed by the department or by a court of  
 257 competent jurisdiction.

258 Section 11. Subsections (1) and (5) of section 322.135,  
 259 Florida Statutes, are amended, and subsection (7) is added to  
 260 that section, to read:

261 322.135 Driver's license agents.—

262 (1) The department shall, upon application, authorize by  
 263 interagency agreement ~~any or~~ all of the tax collectors who are  
 264 constitutional officers under s. 1(d), Art. VIII of the State  
 265 Constitution in the several counties of the state, subject to  
 266 the requirements of law, in accordance with rules of the  
 267 department, to serve as its agent for the provision of specified  
 268 driver's license services.

269 (a) These services shall be limited to the issuance of  
 270 driver's licenses and identification cards as authorized by this  
 271 chapter.

272 (b) Each tax collector who is authorized by the department  
 273 to provide driver's license services shall bear all costs  
 274 associated with providing those services.

275 (c) A service fee of \$6.25 shall be charged, in addition  
 276 to the fees set forth in this chapter, for providing all  
 277 services pursuant to this chapter. The service fee may not be  
 278 charged:

279 1. More than once per customer during a single visit to a  
 280 tax collector's office.

281 2. For a reexamination requested by the Medical Advisory  
 282 Board or required pursuant to s. 322.221.

283 3. For a voter registration transaction.

284 4. In violation of any federal or state law.

285 (5) All driver's license issuance services shall be  
 286 assumed by the tax collectors who are constitutional officers  
 287 under s. 1(d), Art. VIII of the State Constitution no later than  
 288 December 31, 2013. ~~The department, in conjunction with the~~  
 289 ~~Florida Tax Collectors Association and the Florida Association~~  
 290 ~~of Counties, shall develop a plan to transition all driver's~~  
 291 ~~license issuance services to the county tax collectors who are~~  
 292 ~~constitutional officers under s. 1(d), Art. VIII of the State~~  
 293 ~~Constitution. The transition plan must be submitted to the~~  
 294 ~~President of the Senate and the Speaker of the House of~~  
 295 ~~Representatives on or before February 1, 2011. The transition~~  
 296 ~~plan must include a timeline to complete the full transition of~~  
 297 ~~all driver's license issuance services no later than June 30,~~  
 298 ~~2015, and may include, but is not limited to, recommendations on~~  
 299 ~~the use of regional service centers, interlocal agreements, and~~  
 300 ~~equipment.~~

301 (7) The department may adopt rules to create exceptions  
 302 for counties that cannot provide full driver's license services  
 303 due to their small population. In addition, counties may enter  
 304 into interlocal agreements providing for a county tax collector  
 305 to provide driver's license services for another county.

306 Section 12. Subsections (9), (10), (13), (14), and (16) of  
 307 section 322.20, Florida Statutes, are amended to read:

308 322.20 Records of the department; fees; destruction of



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309 records.—

310 (9) The department may, upon application, furnish to any  
 311 person, from its records ~~the records of the Division of Driver~~  
 312 ~~Licenses~~, a list of the names, addresses, and birth dates of the  
 313 licensed drivers of the entire state or any portion thereof by  
 314 age group. In addition, the department may furnish to the  
 315 courts, for the purpose of establishing jury selection lists,  
 316 the names, addresses, and birth dates of the persons of the  
 317 entire state or any portion thereof by age group having  
 318 identification cards issued by the department. Each person who  
 319 requests such information shall pay a fee, set by the  
 320 department, of 1 cent per name listed, except that the  
 321 department shall furnish such information without charge to the  
 322 courts for the purpose of jury selection or to any state agency  
 323 or to any state attorney, sheriff, or chief of police. Such  
 324 court, state agency, state attorney, or law enforcement agency  
 325 may not sell, give away, or allow the copying of such  
 326 information. Noncompliance with this prohibition shall authorize  
 327 the department to charge the noncomplying court, state agency,  
 328 state attorney, or law enforcement agency the appropriate fee  
 329 for any subsequent lists requested. The department may adopt  
 330 rules necessary to implement this subsection.

331 (10) The department ~~Division of Driver Licenses~~ is  
 332 authorized, upon application of any person and payment of the  
 333 proper fees, to search and to assist such person in the search  
 334 of the records of the department and make reports thereof and to  
 335 make photographic copies of the departmental records and  
 336 attestations thereof.

337           (13) The department ~~Division of Driver Licenses~~ shall  
 338 implement a system that allows either parent of a minor, or a  
 339 guardian, or other responsible adult who signed a minor's  
 340 application for a driver's license to have Internet access  
 341 through a secure website to inspect the minor's driver history  
 342 record. Internet access to driver history records granted to a  
 343 minor's parents, guardian, or other responsible adult shall be  
 344 furnished by the department at no fee and shall terminate when  
 345 the minor attains 18 years of age.

346           (14) The department is authorized in accordance with  
 347 chapter 257 to destroy reports, records, documents, papers, and  
 348 correspondence ~~in the Division of Driver Licenses~~ which are  
 349 considered obsolete.

350           (16) The creation and maintenance of records by the  
 351 Division of Motorist Services within the department ~~and the~~  
 352 ~~Division of Driver Licenses~~ pursuant to this chapter shall not  
 353 be regarded as law enforcement functions of agency  
 354 recordkeeping.

355           Section 13. Section 322.202, Florida Statutes, is amended  
 356 to read:

357           322.202 Admission of evidence obtained from the Division  
 358 of Motorist Services ~~Driver Licenses and the Division of Motor~~  
 359 ~~Vehicles.~~

360           (1) The Legislature finds that the Division of Motorist  
 361 Services ~~Driver Licenses and the Division of Motor Vehicles~~ of  
 362 the Department of Highway Safety and Motor Vehicles is ~~are~~ not a  
 363 law enforcement agency ~~agencies~~. The Legislature also finds that  
 364 the division is not an adjunct ~~divisions are not adjuncts~~ of any

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365 law enforcement agency in that employees have no stake in  
366 particular prosecutions. The Legislature further finds that  
367 errors in records maintained by the division ~~divisions~~ are not  
368 within the collective knowledge of any law enforcement agency.  
369 The Legislature also finds that the missions of the division of  
370 ~~Driver Licenses, the Division of Motor Vehicles,~~ and the  
371 department of ~~Highway Safety and Motor Vehicles~~ provide a  
372 sufficient incentive to maintain records in a current and  
373 correct fashion.

374 (2) The Legislature finds that the purpose of the  
375 exclusionary rule is to deter misconduct on the part of law  
376 enforcement officers and law enforcement agencies.

377 (3) The Legislature finds that the application of the  
378 exclusionary rule to cases where a law enforcement officer  
379 effects an arrest based on objectively reasonable reliance on  
380 information obtained from the division ~~divisions~~ is repugnant to  
381 the purposes of the exclusionary rule and contrary to the  
382 decisions of the United States Supreme Court in *Arizona v.*  
383 *Evans*, 514 U.S. 1 (1995) and *United States v. Leon*, 468 U.S. 897  
384 (1984).

385 (4) In any case where a law enforcement officer effects an  
386 arrest based on objectively reasonable reliance on information  
387 obtained from the division ~~divisions~~, evidence found pursuant to  
388 such an arrest shall not be suppressed by application of the  
389 exclusionary rule on the grounds that the arrest is subsequently  
390 determined to be unlawful due to erroneous information obtained  
391 from the division ~~divisions~~.

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392 Section 14. Paragraphs (e) and (f) of subsection (1) and  
393 subsection (2) of section 322.21, Florida Statutes, are amended  
394 to read:

395 322.21 License fees; procedure for handling and collecting  
396 fees.—

397 (1) Except as otherwise provided herein, the fee for:

398 (e) A replacement driver's license issued pursuant to s.  
399 322.17 is \$25. Of this amount \$7 shall be deposited into the  
400 Highway Safety Operating Trust Fund if issued by the department  
401 or retained by the tax collector if issued by the tax collector  
402 and \$18 shall be deposited into the General Revenue Fund.

403 (f) An original, renewal, or replacement identification  
404 card issued pursuant to s. 322.051 is \$25. Funds collected from  
405 these fees shall be distributed as follows:

406 1. For an original identification card issued pursuant to  
407 s. 322.051 the fee is \$25. This amount shall be deposited into  
408 the General Revenue Fund.

409 2. For a renewal identification card issued pursuant to s.  
410 322.051 the fee is \$25. Of this amount, \$6 shall be deposited  
411 into the Highway Safety Operating Trust Fund and \$19 shall be  
412 deposited into the General Revenue Fund.

413 3. For a replacement identification card issued pursuant  
414 to s. 322.051 the fee is \$25. Of this amount, \$9 shall be  
415 deposited into the Highway Safety Operating Trust Fund if issued  
416 by the department or retained by the tax collector if issued by  
417 the tax collector and \$16 shall be deposited into the General  
418 Revenue Fund.

419 (2) It is the duty of the Division of Motorist Services to

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420 provide ~~Director of the Division of Driver Licenses to set up a~~  
 421 ~~division in the department with~~ the necessary personnel to  
 422 perform the ~~necessary~~ clerical and routine work for the  
 423 department in issuing and recording applications, licenses, and  
 424 certificates of eligibility, including the receiving and  
 425 accounting of all license funds and their payment into the State  
 426 Treasury, and other incidental clerical work connected with the  
 427 administration of this chapter. The department may use such  
 428 electronic, mechanical, or other devices as necessary to  
 429 accomplish the purposes of this chapter.

430 Section 15. Subsection (2) of section 413.012, Florida  
 431 Statutes, is amended to read:

432 413.012 Confidential records disclosure prohibited;  
 433 exemptions.—

434 (2) It is unlawful for any person to disclose, authorize  
 435 the disclosure, solicit, receive, or make use of any list of  
 436 names and addresses or any record containing any information set  
 437 forth in subsection (1) and maintained in the division. The  
 438 prohibition provided for in this subsection shall not apply to  
 439 the use of such information for purposes directly connected with  
 440 the administration of the vocational rehabilitation program or  
 441 with the monthly dispatch to the ~~Division of Driver Licenses of~~  
 442 ~~the~~ Department of Highway Safety and Motor Vehicles of the name  
 443 in full, place and date of birth, sex, social security number,  
 444 and resident address of individuals with central visual acuity  
 445 20/200 or less in the better eye with correcting glasses, or a  
 446 disqualifying field defect in which the peripheral field has  
 447 contracted to such an extent that the widest diameter or visual

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448 field subtends an angular distance no greater than 20 degrees.  
449 When requested in writing by an applicant or client, or her or  
450 his representative, the Division of Blind Services shall release  
451 confidential information to the applicant or client or her or  
452 his representative.

453 Section 16. This act shall take effect July 1, 2011.