



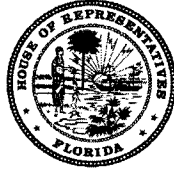
Local & Federal Affairs Committee

Meeting Packet

**Thursday, March 5, 2015
8:00 am – 10:00 am
Webster Hall (212 Knott)**

**Steve Crisafulli
Speaker**

**Dennis K. Baxley
Chair**



The Florida House of Representatives

Local & Federal Affairs Committee

Steve Crisafulli
Speaker

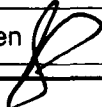

Dennis K. Baxley
Chair

Meeting Agenda
Thursday, March 5, 2015
Webster Hall (212 Knott)
08:00 a.m. – 10:00 a.m.

- I. Call to Order**
- II. Roll Call**
- III. Welcome and Opening Remarks**
- IV. Consideration of the Following Bill(s):**
 - HB 213 Property Appraisers by Moraitis**
 - HB 485 Santa Rosa Island Authority, Escambia County by Ingram**
 - HB 489 Value Adjustment Board Proceedings by Sullivan**
 - HM 727 Diplomatic Relations with Cuba by Diaz, M., Nuñez**
- V. Adjournment**

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 213 Property Appraisers
SPONSOR(S): Moraitis, Jr.
TIED BILLS: IDEN./SIM. **BILLS:** SB 266

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Finance & Tax Committee	16 Y, 0 N	Dugan	Langston
2) Local & Federal Affairs Committee		Darden 	Kiner 

SUMMARY ANALYSIS

Current law provides that property appraisers are to submit a proposed budget for the operation of the appraiser's office to the Department of Revenue (DOR). The DOR may amend the initial budget submission. After reviewing further information that may be submitted by the property appraiser and appropriate board of county commissioners (board), the DOR issues a final budget determination. The property appraiser or board may appeal the DOR's final budget to the Governor and Cabinet sitting as the Administration Commission. The Administration Commission has discretion as to whether to accept the appeal or not. The DOR-approved budget request, as amended by the Administration Commission, shall be the budget for the property appraiser in the ensuing local fiscal year.

The bill provides that boards of county commissioners must fund property appraisers according to the amount determined by the DOR in its final budget determination, and must fund the department-approved budget during the pendency of an ongoing appeal to the Administration Commission. A county's obligation to fund the property appraiser's office at the level set by the DOR is not affected merely by the filing of an appeal to the Administration Commission. Only if the Commission chooses to amend the budget will the county's obligation change.

The bill is expected to have no impact on state or local government revenue or spending levels.

The bill has an effective date of July 1, 2015.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

Process for Determining the Property Appraiser's Budget

Current law provides that property appraisers are to submit a proposed budget for the operation of the appraiser's office to the Department of Revenue (DOR) on or before June 1 of each year.¹ The property appraiser is required to submit the proposed budget to the appropriate board of county commissioners (board) at the same time. The DOR reviews the budget request and may amend the budgeted amount "as it deems necessary, in order that the budget be neither inadequate nor excessive."²

On or before July 15, the DOR notifies both the property appraiser and the board of its tentative budget determination. The property appraiser and board have until August 14 to submit additional information to the DOR if they choose to do so. The DOR issues its final budget determination on or before August 15.³

The property appraiser or board may appeal the DOR's final budget to the Governor and Cabinet sitting as the Administration Commission.⁴ The appeal must be filed no later than 15 days after the conclusion of the public hearing held pursuant to s. 200.065(2)(d), F.S. (final adoption of the county millage rate and budget).⁵ The Administration Commission has discretion as to whether to accept the appeal or not. Upon completion of this process, the resulting budget request "as approved by the department and as amended by the commission... become[s] the operating budget of the property appraiser for the ensuing fiscal year beginning October 1..."⁶

In the context of billing procedures between the property appraiser and the board, current law provides that the "budget of the property appraiser's office, as approved by the DOR, shall be the basis upon which the several tax authorities of each county (i.e., the boards)... shall be billed by the property appraiser for services rendered."⁷ Further, current law provides that "payments shall be made quarterly by each such taxing authority."⁸

Board of County Commissioners of Broward County vs. Lori Parrish, Broward County Property Appraiser

The Board of County Commissioners of Broward County (BOCC) disagreed with the Broward County Property Appraiser (Appraiser) as to the appropriate level of funding that it should be required to provide for the operation of the Appraiser's office for Fiscal Year 2014. After going through the statutory budget process described above, the DOR set the Appraiser's final budget at \$18,712,207.⁹ The BOCC appealed the DOR's final budget determination to the Administration Commission,¹⁰ and, despite DOR approval, funded the Appraiser at a lower amount (\$16,882,210).¹¹ The Appraiser sued the BOCC, and

¹ S. 195.087(1)(a), F.S.

² Id.

³ Id.

⁴ S. 195.087(1)(b), F.S.

⁵ Id.

⁶ Id.

⁷ S. 192.091(1)(a), F.S.

⁸ S. 192.091(1)(b), F.S.

⁹ *Board of County Commissioners Broward County Florida v. Parrish*, No. 4D14-101 (4th DCA December 10, 2014).

¹⁰ The Administration Commission did not hear the appeal.

¹¹ Broward County, Office of Management and Budget, Budget Archives, Fiscal Year 2014 Adopted Operating Budget, available at: <http://www.broward.org/Budget/Pages/Archives.aspx> (last visited February 12, 2015).

asked the court to determine which level the BOCC was required to fund the Appraiser's office at while the appeal was pending: the higher amount approved by the DOR or the lower amount produced by the BOCC.

The trial court ruled in the Appraiser's favor,¹² and the BOCC appealed the decision to the Fourth District Court of Appeal. The appellate court also ruled in the Appraiser's favor, deciding that, although each party has the opportunity to file an appeal with the Administration Commission, the DOR's approved budget is final and the Appraiser has an immediate right to be funded so as to discharge its constitutional duties.¹³ The appellate court reasoned that under s. 195.087's budget review system, the board of county commissioners assumes the role of advocate rather than decision-maker.¹⁴ Further, the appellate court reasoned that the discretionary nature of the Administration Commission's review demonstrates the legislative intent that DOR's budget determination is final:

...had the Legislature intended the DOR's final budgetary determination to receive an automatic stay pending appeal to the Administration Commission, it would have provided such remedy, as it has done in similar situations, or at the very least set a timeline for the Administration Commission's action.¹⁵

The BOCC also claimed that the deadline to file an appeal with the Administration Commission within 15 days after the s. 200.065 hearing evidences the Legislature's intent that county commissioners be permitted to set an interim budget pending appeal. However, the appellate court disagreed with the BOCC because the broad, general conferment of power in s. 200.065 does not contravene s. 192.091's specific requirement that the board honor the DOR's decision. Further, the deadline is a procedural convenience to allow the Administration Commission the opportunity to analyze the county's final budget prior to an appeal in order to understand the impact of the property appraiser budget on the county's total budget.

The BOCC asked the appellate court to certify the case to the Florida Supreme Court, but the appellate court denied the BOCC's request on February 3, 2015.¹⁶ The BOCC may seek review by the Florida Supreme Court; however, review is discretionary not mandatory.¹⁷

Role of the Property Appraiser

The Florida Constitution requires each county to have a property appraiser, elected to a four year term, unless the electors have approved an alternative method for administering the functions of the office.¹⁸ Separating the office of the property appraiser from the board of county commissioners is intended to ensure just valuation and uniform assessment of property throughout the state.¹⁹

The concept of uniform assessment has deep roots as a matter of state law. Under the Florida Constitution of 1885, counties and cities were authorized to levy property taxes in a manner based "upon the principles established for State taxation."²⁰ Ad valorem taxes levied by the state under the 1885 constitution were required to be assessed at a "uniform and equal rate" and "secure[d by] a just valuation."²¹

¹² *Parrish v. Board of County Commissioners Broward County Florida*, No. 13-23090 (08) (17th Cir. Ct. December 31, 2013).

¹³ *Board of County Commissioners Broward County Florida v. Parrish*, No. 4D14-101 (4th DCA December 10, 2014).

¹⁴ *Id.*

¹⁵ *Id.*

¹⁶ *Board of County Commissioners Broward County Florida v. Parrish*, No. 4D14-101, Order (February 3, 2015).

¹⁷ Fla. Const. art. V, s. 3.

¹⁸ Fla. Const. art. VIII, s. 1. A county charter or special law, approved by electors, may state an alternative method for filling the office of property appraiser or transfer its duties to another office of the county.

¹⁹ See s. 195.0012, F.S. (Legislative intent in establishing property assessment administration procedures to "secure a just valuation ... and to provide for a uniform assessment")

²⁰ Fla. Const. of 1885, art. IX, s. 5.

²¹ Fla. Const. of 1885, art. IX, s. 1.

While the current constitution prohibits ad valorem taxation by the state government,²² the underlying principles regarding uniform assessment remain. DOR review of county property appraiser budgets is critical to the process, enabling the property appraiser to have “functional sufficiency to achieve uniform state-wide assessment.”²³ Without this safeguard, property appraisers may face political pressure from the board of county commissions to reach higher property valuations as a more politically palatable means to generate additional revenue.²⁴

Effect of Proposed Changes

The bill provides that boards of county commissioners must fund property appraisers according to the amount determined by the Department of Revenue in its final budget determination, and must fund the department-approved budget during the pendency of an ongoing appeal to the Administration Commission.

This statutory change would codify the result reached by the Fourth District Court of Appeal.

B. SECTION DIRECTORY:

Section 1. Amends s. 195.087, F.S., to state that the property appraiser’s budget is final and shall be funded by the board of county commissioners once the DOR has made its final budget determination. The obligation to fund the property appraiser’s office at the level set by the DOR is not affected by the filing of an appeal to the Administration Commission.

Section 2. Provides an effective date of July 1, 2015.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

See FISCAL COMMENTS.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

²² Fla. Const. art. VII, s. 1.

²³ 73-389 Fla. Op. Att’y Gen. (1973).

²⁴ *Board of County Commissioners Broward County Florida v. Parrish*, No. 4D14-101 (4th DCA December 10, 2014).

D. FISCAL COMMENTS:

The final budget of property appraisers should not be affected by the bill. However, the bill may affect the timing of a county's recognition and implementation of the final budget.

According to the Department of Revenue, the department will not be required to make additional expenditures upon this bill becoming law.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

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

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill does not authorize or require agency rulemaking for implementation.

C. DRAFTING ISSUES OR OTHER COMMENTS:

Under current law, a board of county commissioners will transfer budgeted funds in quarterly installments. In an appeal to the Administration Commission, if a board of county commissioners is successful in appealing the DOR's final budget, the amount in question (difference between the DOR budget and county's budget) would be withheld from the next quarterly payment.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

27 | notice to the county commission and property appraiser, review
 28 | the budget request and may amend or change the budget request as
 29 | it deems necessary, in order that the budget be neither
 30 | inadequate nor excessive. On or before July 15, the department
 31 | shall notify the property appraiser and the board of county
 32 | commissioners of its tentative budget amendments and changes.
 33 | Before ~~Prior to~~ August 15, the property appraiser and the board
 34 | of county commissioners may submit additional information or
 35 | testimony to the department respecting the budget. On or before
 36 | August 15, the department shall make its final budget amendments
 37 | or changes to the budget and shall provide notice thereof to the
 38 | property appraiser and board of county commissioners. Once the
 39 | department makes its final budget amendments, the budget is
 40 | final and shall be funded by the county commission pursuant to
 41 | s. 192.091.

42 | (b) The Governor and Cabinet, sitting as the
 43 | Administration Commission, may hear appeals from the final
 44 | action of the department upon a written request being filed by
 45 | the property appraiser or the presiding officer of the county
 46 | commission no later than 15 days after the conclusion of the
 47 | hearing held pursuant to s. 200.065(2)(d). The filing of an
 48 | appeal does not relieve the county commission of its obligation
 49 | to fund the department-approved final budget during the pendency
 50 | of the appeal. The Administration Commission may amend the
 51 | budget if it finds that any aspect of the budget is unreasonable
 52 | in light of the workload of the office of the property appraiser

53 | in the county under review. The budget request as approved by
 54 | the department and as amended by the commission shall become the
 55 | operating budget of the property appraiser for the ensuing
 56 | fiscal year beginning October 1, except that the budget so
 57 | approved may subsequently be amended under the same procedure.
 58 | After final approval, the property appraiser shall make no
 59 | transfer of funds between accounts without the written approval
 60 | of the department. However, all moneys received by property
 61 | appraisers in complying with chapter 119 shall be accounted for
 62 | in the same manner as provided for in s. 218.36, for moneys
 63 | received as county fees and commissions, and any such moneys may
 64 | be used and expended in the same manner and to the same extent
 65 | as funds budgeted for the office and no budget amendment shall
 66 | be required.

67 | Section 2. This act shall take effect July 1, 2015.

HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

BILL #: HB 485 Santa Rosa Island Authority, Escambia County
SPONSOR(S): Ingram
TIED BILLS: IDEN./SIM. BILLS:

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Local Government Affairs Subcommittee	13 Y, 0 N	Darden	Miller
2) Local & Federal Affairs Committee		Darden <i>DD</i>	Kiner <i>KLK</i>

SUMMARY ANALYSIS

The Escambia County Board of County Commissioners may authorize a monthly expense allowance of up to \$400 to members of the Santa Rosa Island Authority (Authority) for the purpose of conducting the duties of their office. The Santa Rosa Island Authority, an independent special district in Escambia County created by special act in 1947, guides the development of Pensacola Beach by leasing property on the island to individuals and businesses. The Authority is fully funded by rental fees.

The bill increases the authorized maximum monthly expense allowance for Authority members from \$400 to \$550 and allows for up to an additional \$100 for the chair of the Authority. The bill also removes language stating members of the Authority shall not receive compensation for their services. The Santa Rosa Island Authority has budgeted for the increase for the current fiscal year.

This bill shall take effect upon becoming law.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

The Santa Rosa Island Authority (Authority) is an independent special district¹ created by special act in 1947 to construct public infrastructure, adopt and enforce rules concerning building, health, and safety, and lease property on the portions of Santa Rosa Island owned by Escambia County.² The portions of the island governed by the Authority were previously owned by the federal government, but were transferred to Escambia County in 1946 to use or lease in a manner consistent with the public interest.³ The area today is synonymous with the unincorporated community of Pensacola Beach, which has 2,738 residents⁴ and is a significant tourist destination.⁵

The Authority is currently governed by a six member board.⁶ Five of the seats are filled by members selected by the Escambia County Board of County Commissioners.⁷ Each member of the commission selects one member, subject to approval by a majority vote of the commissioners.⁸ The final member is selected by the voters of Santa Rosa Island in a non-partisan election.⁹ The elected member must be both a resident and leaseholder on Santa Rosa Island.¹⁰

All land on the island is owned by Escambia County under the 1946 conveyance.¹¹ The Authority leases property on the island to individuals and businesses.¹² The Authority is fully funded by fees collected from the rentals.¹³ The rental fees generated \$8,084,978 in revenue for the fiscal year concluding September 30, 2014.¹⁴ Over the same period, the Authority spent \$5,963,462 on operating expenses and \$1,076,989 on bond payments.¹⁵

The Authority is required to submit an annual budget report to the Escambia County Board of County Commissioners.¹⁶ The budget does not require approval by the commission, with the Authority possessing responsibility for determining if excess revenues should be paid to Escambia County's general revenue fund.¹⁷

¹ See S. 189.012(3), F.S. (defining independent special district as any special district that is not a dependent special district under s. 189.012(2), F.S.). The Authority, with a membership of elected and appointed officials and having budgetary independence, does not meet any of the criteria for a dependent special district.

² Ch. 47-24500, Laws of Fla.

³ Pub. L. No. 79-564, H.R. 4486, 79th Cong. (July 30, 1946).

⁴ U.S. Census Bureau, *Demographic Profiles for Places in Florida*, available at <http://quickfacts.census.gov/cgi-bin/qfd/demolink?12> (last visited Feb. 10, 2015).

⁵ Pensacola Bay Area Convention & Visitors Bureau, *Visit Pensacola: Pensacola Beach and Perdido Key*, <http://www.visitpensacola.com/> (last visited Feb. 11, 2015).

⁶ Ch. 83-407, Laws of Fla.

⁷ Ch. 47-24500, Laws of Fla.

⁸ Ch. 70-680, Laws of Fla.; the Board of County Commissioners of Escambia County contains five members.

⁹ Ch. 83-407, Laws of Fla.

¹⁰ *Id.*

¹¹ See Pub. L. No. 79-564, H.R. 4486, 79th Cong. (July 30, 1946).; see also *State v. Escambia County*, 52 So. 2d 125 (Fla. 1951).

¹² Santa Rosa Island Authority, *What We Do*, <http://sria-fla.com/what-we-do.php> (last visited Feb. 11, 2015).

¹³ Santa Rosa Island Authority, *Who We Are*, <http://sria-fla.com/who-we-are.php> (last visited Feb. 11, 2015).

¹⁴ Santa Rosa Island Authority, *November 19, 2014 Committee Meeting Agenda/BU*, pp. 19-28, available at http://sria-fla.com/admin/documents/november_19_2014_committee_meeting_agenda_and_backup.pdf (last visited Feb. 11, 2015).

¹⁵ *Id.*

¹⁶ Ch. 47-24500, Laws of Fla.

¹⁷ *Id.*

Under current law, the members of the Authority are entitled to an expense allowance for attending to Authority business.¹⁸ The allowance is set by the Escambia County Board of County Commissioners, but may not exceed \$400 per month, including travel expenses.¹⁹ Under the initial charter, members were entitled to receive all "necessary expenses" incurred in the conduct of their duties.²⁰ The expense allowance was first capped in 1975, at \$250 per month,²¹ before being increased to \$400 in 1984.²² Members of the Authority are not otherwise entitled to compensation for their services.²³

Effect of Proposed Changes

The bill would increase the maximum authorized monthly allowance amount for members of the Santa Rosa Island Authority for \$400 per member to \$550. The bill also permits the Escambia County Board of County Commissioners to provide an additional \$100 per month expense allowance for the chair of the Authority.

The bill also removes the provision stating that members of the Authority shall receive no compensation for their services.²⁴

B. SECTION DIRECTORY:

Section 1: Amends Chapter 47-24500, Laws of Florida, as amended, to increase the authorized allowance for members of the Santa Rose Island Authority and to remove the prohibition against members of the Authority receiving compensation for their services.

Section 2: Provides the bill shall take effect upon becoming law.

II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? November 24, 2014

WHERE? *Pensacola News Journal*, a daily newspaper of general circulation, published in Escambia County, Florida

B. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes, attached No

D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached No

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

None.

¹⁸ Ch. 47-24500, as amended by Ch. 84-426, Laws of Fla.

¹⁹ Ch. 84-426, Laws of Fla.

²⁰ Ch. 47-24500, Laws of Fla.

²¹ Ch. 75-366, Laws of Fla.

²² Ch. 84-426, Laws of Fla.

²³ Ch. 47-24500, Laws of Fla.

²⁴ Under current law, the Authority does not have the power to provide themselves with compensation.

B. RULE-MAKING AUTHORITY:

The bill does not provide rulemaking authority or require executive branch rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

The Santa Rosa Island Authority has reserved the amount required to pay for the increase.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

1 A bill to be entitled
 2 An act relating to the Santa Rosa Island Authority,
 3 Escambia County; amending chapter 24500 (1947), Laws
 4 of Florida, as amended; revising the amounts
 5 authorized to be paid as an allowance for members of
 6 the authority; providing an effective date.

7
 8 Be It Enacted by the Legislature of the State of Florida:
 9

10 Section 1. Subsection (d) of section 3 of chapter 24500,
 11 Laws of Florida, 1947, as amended by chapter 84-426, Laws of
 12 Florida, is amended to read:

13 Section 3. (d) The members of the authority shall ~~receive~~
 14 ~~no compensation for their services, but shall~~ be entitled to
 15 receive a monthly ~~an expense~~ allowance for ~~in~~ attending to the
 16 business of the Santa Rosa Island Authority, in an amount to be
 17 determined by the Board of County Commissioners of Escambia
 18 County, not to exceed the monthly sum of \$550 ~~\$400~~ per member
 19 month, plus up to an additional \$100 per month for the chair of
 20 the authority, including travel expenses for out of county
 21 travel to be paid from any funds of the authority. Four members
 22 shall constitute a quorum of the authority for the purpose of
 23 conducting its business and exercising its powers and for all
 24 other purposes. Action may be taken by the authority upon the
 25 affirmative vote of four of its members.

26 Section 2. This act shall take effect upon becoming a law.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 489 Value Adjustment Board Proceedings
SPONSOR(S): Sullivan
TIED BILLS: IDEN./SIM. **BILLS:** SB 260

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Finance & Tax Committee	17 Y, 0 N	Dugan	Langston
2) Local & Federal Affairs Committee		Zaborske <i>ZB</i>	Kiner <i>KK</i>

SUMMARY ANALYSIS

Current law provides for administrative and judicial review of ad valorem tax assessments. As part of that process, each county in Florida has a value adjustment board (VAB) composed of five members that hears petitions pertaining to property assessments made by the county property appraiser. The VAB hears evidence from both the petitioner and property appraiser as to whether a property is appraised at its just value, as well as issues related to tax exemptions, deferments, and portability.

The bill makes the following revisions to the process for petitioning a value adjustment board (VAB):

- Requires the clerk of the VAB to have available and distribute petition forms (a function already performed by the property appraiser).
- Allows an owner of multiple, similar items of tangible personal property to file a single, joint petition protesting the assessment of such property.
- Provides that during the evidence exchange process the property appraiser must include the property record card regardless of whether the card was provided by the clerk.

The Revenue Estimating Conference on February 13, 2015, conducted an analysis of the impacts of the bill. The bill is expected to have a negative fiscal impact of approximately \$100,000 on VAB fee revenues in the aggregate. The bill may also result in minimal additional expenditures by VAB clerks and property appraisers.

The bill has an effective date of July 1, 2015.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

Value Adjustment Boards

Chapter 194, F.S., provides for administrative and judicial review of ad valorem tax assessments. Each county in Florida has a value adjustment board (VAB) composed of five members¹ that hears petitions pertaining to property assessments made by the county property appraiser.² The VAB hears evidence from both the petitioner and property appraiser as to whether a property is appraised at its fair market value, as well as issues related to tax exemptions, deferments, and portability.³

Petition Process for VAB Hearing

A property appraiser establishes the value of taxable property as of January 1 each year, and reviews and applies exemptions, assessment limitations, and classifications that may reduce a property's taxable value.⁴ The VAB has no authority to review, by its own motion, the determinations of the property appraiser.⁵ Rather, the property owner may initiate a review by filing a petition with the clerk of the VAB,⁶ which can cost up to \$15 per petition.⁷

The Florida Department of Revenue (DOR), in its property tax oversight role, maintains a calendar indicating when the petition process begins (early March), and when petitions must be received by (mid-September), each year.⁸ The clerk of the VAB⁹ is responsible for receiving completed petitions, acknowledging receipt to the taxpayer, sending a copy of the petition to the property appraiser, and scheduling appearances before the value adjustment board. VAB petition forms may be found at the DOR website, the County Property Appraiser's office, and in most counties at the office or website of the VAB Clerk; however, currently only the property appraiser is required to have the forms available.¹⁰

Joint Petitions

An owner of contiguous, undeveloped parcels of real property may file a single joint petition if the property appraiser determines such parcels are substantially similar in nature.¹¹ Also, a condominium, cooperative, or homeowners' association may file a single joint petition on behalf of any association member who owns

¹ S. 194.015, F.S.; Pursuant to Rule 12D-9.004, F.A.C., every county has a VAB consisting of 2 members of the county's governing body, 1 member of school board of county, and 2 citizen members.

² S. 194.011, F.S. The VAB also hears complaints about homestead exemptions and appeals exemption, deferral, or classification decisions. s. 194.032(1)(a), F.S.

³ Additionally, VABs appoint special magistrates, who are qualified real estate appraisers, personal property appraisers or attorneys, to act as impartial agents in conducting hearings and making recommendations on all petitions. s. 194.035(1), F.S.

⁴ For timeframes and instructions on filing, see Dep't of Revenue, Petitions to the Value Adjustment Board, available at: <http://dor.myflorida.com/dor/property/brochures/pt101.pdf> (last visited 2/12/2015).

⁵ See Ch. 2013-95, ss. 1-4, Laws of Fla. (CS/HB 1193).

⁶ S. 194.011(3)(b), F.S.

⁷ S. 194.013, F.S.

⁸ See the most recent calendar for exact dates. Dep't of Revenue, Value Adjustment Board Calendar, available at: <http://dor.myflorida.com/dor/property/cofficials/pdf/pt902020.pdf> (last visited 02/12/2015).

⁹ The county clerk usually serves as the clerk of the value adjustment board. S. 194.015, F.S.

¹⁰ S. 194.011(3)(a), F.S.

¹¹ S. 194.011(3)(f), F.S.; Rule 12D-9.015(8), F.A.C.

parcels of real property that the “property appraiser determines are substantially similar with respect to location, proximity to amenities, number of rooms, living area, and condition.”¹² A single filing fee for a joint petition is to be charged, which cannot exceed \$5 per parcel and must be proportionately paid among the parcel owners.¹³

Record cards

A petitioner is required to provide the property appraiser with a list of evidence, copies of documentation, and summaries of testimony at least 15 days prior to the hearing.¹⁴ If the petitioner provides this information, and sends the appraiser a written request for responsive information, the appraiser must provide a list of evidence and copies of documentation to be presented at the hearing, including the property record card.¹⁵

Property appraisers maintain records of assessment information for assessed properties, which may be referred to as “property record cards.” On a petition to the VAB, a petitioner may elect to receive a copy of the property record card.¹⁶ Prior to 2013, the clerk of the VAB was required to provide a copy of the card when the petitioner made the election on the petition.¹⁷ In 2013, the Legislature shifted this responsibility from the clerk of the VAB to the property appraiser; however, the legislation did not conform s. 194.011(4)(b), F.S., to recognize this change.

Effect of Proposed Changes

The bill makes the following revisions to the process for petitioning a value adjustment board:

- Requires the clerk of the VAB to have available and distribute petition forms (a function already performed by the property appraiser).
- Allows an owner of multiple, similar items of tangible personal property to file a single, joint petition protesting the assessment of such property.
- Provides that during the evidence exchange process the property appraiser must include a property record card regardless of whether the card was provided by the clerk of the VAB.

B. SECTION DIRECTORY:

Section 1. Amends ss. 194.011(3)(a), (f), and (4)(b), F.S., to require the clerk of the VAB to have available and distribute petition forms; to allow an owner of multiple, similar items of tangible personal property to file a single, joint petition protesting the assessment of such property; and to require, during the evidence exchange process, the property appraiser to include the property record card regardless of whether the card was provided by the clerk.

Section 2. Provides an effective date of July 1, 2015.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

¹² S. 194.011(3)(e), F.S.; r. 12D-9.015(8), F.A.C.

¹³ S. 194.013(1), F.S.

¹⁴ S. 194.011(4)(a), F.S.

¹⁵ S. 194.011(4)(b), F.S.

¹⁶ S. 194.032(2)(a), F.S.

¹⁷ Ch. 2013-109, s. 8, Laws of Fla.

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

The Revenue Estimating Conference on February 13, 2015, conducted an analysis of the impacts of the bill and concluded that the bill is expected to have a negative fiscal impact of approximately \$100,000 on VAB fee revenues in the aggregate.

2. Expenditures:

The clerk of a VAB may need to expend funds to have available and distribute petition forms. A property appraiser may need to expend funds to provide property record cards.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

There may be a cost-savings for an owner of multiple pieces of similar tangible personal property that choose to contest an assessment because the owner can file a single joint petition rather than multiple petitions.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The county/municipality mandates provision of article VII, section 18 of the Florida Constitution may apply because this bill may require additional expenditures by property appraisers and VAB clerks, which are partially funded by county government. However, the bill may be exempt under article VII, section 18(d) of the Florida Constitution because it is expected to have an insignificant impact.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The Department may need to revise rule 12D-9.015, F.A.C., relating to the filing of petitions.

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 value adjustment board proceedings;
 amending s. 194.011, F.S.; requiring the clerk of the
 value adjustment board to have available and
 distribute specified forms; authorizing the owner of
 multiple items of tangible personal property to file a
 joint petition with the value adjustment board under
 certain circumstances; requiring the property
 appraiser to include the property record card in an
 evidence list for a value adjustment board hearing
 under certain circumstances; providing an effective
 date.

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

Section 1. Paragraphs (a) and (f) of subsection (3) and
 paragraph (b) of subsection (4) of section 194.011, Florida
 Statutes, are amended to read:

194.011 Assessment notice; objections to assessments.—

(3) A petition to the value adjustment board must be in
 substantially the form prescribed by the department.
 Notwithstanding s. 195.022, a county officer may not refuse to
 accept a form provided by the department for this purpose if the
 taxpayer chooses to use it. A petition to the value adjustment
 board shall describe the property by parcel number and shall be
 filed as follows:

27 (a) The clerk of the value adjustment board and the
 28 property appraiser shall have available and shall distribute
 29 forms prescribed by the Department of Revenue on which the
 30 petition shall be made. Such petition shall be sworn to by the
 31 petitioner.

32 (f) An owner of contiguous, undeveloped parcels, or an
 33 owner of multiple items of tangible personal property, may file
 34 with the value adjustment board a single joint petition if the
 35 property appraiser determines such parcels or items of tangible
 36 personal property to be ~~are~~ substantially similar in nature.

37 (4)

38 (b) No later than 7 days before the hearing, if the
 39 petitioner has provided the information required under paragraph
 40 (a), and if requested in writing by the petitioner, the property
 41 appraiser shall provide to the petitioner a list of evidence to
 42 be presented at the hearing, together with copies of all
 43 documentation to be considered by the value adjustment board and
 44 a summary of evidence to be presented by witnesses. The evidence
 45 list must contain the property appraiser's property record card
 46 ~~if provided by the clerk.~~ Failure of the property appraiser to
 47 timely comply with the requirements of this paragraph shall
 48 result in a rescheduling of the hearing.

49 Section 2. This act shall take effect July 1, 2015.



Amendment No.

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	_____	

1 Committee/Subcommittee hearing bill: Local & Federal Affairs
 2 Committee
 3 Representative Sullivan offered the following:

Amendment

Between lines 48 and 49, insert:

7 Section 2. For the purpose of incorporating the amendment
 8 made by this act to section 194.011, Florida Statutes, in a
 9 reference thereto, paragraph (b) of subsection (2) of section
 10 192.0105, Florida Statutes, is reenacted to read:

11 192.0105 Taxpayer rights.—There is created a Florida
 12 Taxpayer's Bill of Rights for property taxes and assessments to
 13 guarantee that the rights, privacy, and property of the
 14 taxpayers of this state are adequately safeguarded and protected
 15 during tax levy, assessment, collection, and enforcement
 16 processes administered under the revenue laws of this state. The
 17 Taxpayer's Bill of Rights compiles, in one document, brief but



Amendment No.

18 comprehensive statements that summarize the rights and
19 obligations of the property appraisers, tax collectors, clerks
20 of the court, local governing boards, the Department of Revenue,
21 and taxpayers. Additional rights afforded to payors of taxes and
22 assessments imposed under the revenue laws of this state are
23 provided in s. 213.015. The rights afforded taxpayers to assure
24 that their privacy and property are safeguarded and protected
25 during tax levy, assessment, and collection are available only
26 insofar as they are implemented in other parts of the Florida
27 Statutes or rules of the Department of Revenue. The rights so
28 guaranteed to state taxpayers in the Florida Statutes and the
29 departmental rules include:

30 (2) THE RIGHT TO DUE PROCESS.—

31 (b) The right to petition the value adjustment board over
32 objections to assessments, denial of exemption, denial of
33 agricultural classification, denial of historic classification,
34 denial of high-water recharge classification, disapproval of tax
35 deferral, and any penalties on deferred taxes imposed for
36 incorrect information willfully filed. Payment of estimated
37 taxes does not preclude the right of the taxpayer to challenge
38 his or her assessment (see ss. 194.011(3), 196.011(6) and
39 (9)(a), 196.151, 196.193(1)(c) and (5), 193.461(2), 193.503(7),
40 193.625(2), 197.2425, 197.301(2), and 197.2301(11)).

41 Section 3. For the purpose of incorporating the amendment
42 made by this act to section 194.011, Florida Statutes, in a



Amendment No.

43 reference thereto, Subsection (1) of section 194.013, Florida
44 Statutes, is reenacted to read:

45 194.013 Filing fees for petitions; disposition; waiver.-

46 (1) If so required by resolution of the value adjustment
47 board, a petition filed pursuant to s. 194.011 shall be
48 accompanied by a filing fee to be paid to the clerk of the value
49 adjustment board in an amount determined by the board not to
50 exceed \$15 for each separate parcel of property, real or
51 personal, covered by the petition and subject to appeal.
52 However, no such filing fee may be required with respect to an
53 appeal from the disapproval of homestead exemption under s.
54 196.151 or from the denial of tax deferral under s. 197.2425.
55 Only a single filing fee shall be charged under this section as
56 to any particular parcel of property despite the existence of
57 multiple issues and hearings pertaining to such parcel. For
58 joint petitions filed pursuant to s. 194.011(3)(e) or (f), a
59 single filing fee shall be charged. Such fee shall be calculated
60 as the cost of the special magistrate for the time involved in
61 hearing the joint petition and shall not exceed \$5 per parcel.
62 Said fee is to be proportionately paid by affected parcel
63 owners.

64 Section 4. For the purpose of incorporating the amendment
65 made by this act to section 194.011, Florida Statutes, in a
66 reference thereto, paragraph (a) of subsection (1) of section
67 194.032, Florida Statutes, is reenacted to read:

68 194.032 Hearing purposes; timetable.-



Amendment No.

69 (1)(a) The value adjustment board shall meet not earlier
70 than 30 days and not later than 60 days after the mailing of the
71 notice provided in s. 194.011(1); however, no board hearing
72 shall be held before approval of all or any part of the
73 assessment rolls by the Department of Revenue. The board shall
74 meet for the following purposes:

75 1. Hearing petitions relating to assessments filed
76 pursuant to s. 194.011(3).

77 2. Hearing complaints relating to homestead exemptions as
78 provided for under s. 196.151.

79 3. Hearing appeals from exemptions denied, or disputes
80 arising from exemptions granted, upon the filing of exemption
81 applications under s. 196.011.

82 4. Hearing appeals concerning ad valorem tax deferrals and
83 classifications.

84 Section 5. For the purpose of incorporating the amendment
85 made by this act to section 194.011, Florida Statutes, in a
86 reference thereto, paragraph (a) of subsection (6) and
87 subsection (8) of section 196.011, Florida Statutes, is
88 reenacted to read:

89 196.011 Annual application required for exemption.-

90 (6)(a) Once an original application for tax exemption has
91 been granted, in each succeeding year on or before February 1,
92 the property appraiser shall mail a renewal application to the
93 applicant, and the property appraiser shall accept from each
94 such applicant a renewal application on a form prescribed by the



Amendment No.

95 Department of Revenue. Such renewal application shall be
96 accepted as evidence of exemption by the property appraiser
97 unless he or she denies the application. Upon denial, the
98 property appraiser shall serve, on or before July 1 of each
99 year, a notice setting forth the grounds for denial on the
100 applicant by first-class mail. Any applicant objecting to such
101 denial may file a petition as provided for in s. 194.011(3).

102 (8) Any applicant who is qualified to receive any
103 exemption under subsection (1) and who fails to file an
104 application by March 1, must file an application for the
105 exemption with the property appraiser on or before the 25th day
106 following the mailing by the property appraiser of the notices
107 required under s. 194.011(1). Upon receipt of sufficient
108 evidence, as determined by the property appraiser, demonstrating
109 the applicant was unable to apply for the exemption in a timely
110 manner or otherwise demonstrating extenuating circumstances
111 judged by the property appraiser to warrant granting the
112 exemption, the property appraiser may grant the exemption. If
113 the applicant fails to produce sufficient evidence demonstrating
114 the applicant was unable to apply for the exemption in a timely
115 manner or otherwise demonstrating extenuating circumstances as
116 judged by the property appraiser, the applicant may file,
117 pursuant to s. 194.011(3), a petition with the value adjustment
118 board requesting that the exemption be granted. Such petition
119 must be filed during the taxable year on or before the 25th day
120 following the mailing of the notice by the property appraiser as



Amendment No.

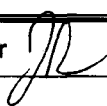
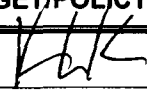
121 provided in s. 194.011(1). Notwithstanding the provisions of s.
122 194.013, such person must pay a nonrefundable fee of \$15 upon
123 filing the petition. Upon reviewing the petition, if the person
124 is qualified to receive the exemption and demonstrates
125 particular extenuating circumstances judged by the value
126 adjustment board to warrant granting the exemption, the value
127 adjustment board may grant the exemption for the current year.
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HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HM 727 Diplomatic Relations with Cuba

SPONSOR(S): Diaz, Jr. and others

TIED BILLS: None **IDEN./SIM. BILLS:** SM 866

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Local & Federal Affairs Committee		Renner 	Kiner 
2) State Affairs Committee			

SUMMARY ANALYSIS

On December 17, 2014, President Obama announced diplomatic and economic policy changes to begin normalizing the relationship between the United States (U.S.) and Cuba. Generally, the changes include, but are not limited to:

- Allowing travel to Cuba for authorized purposes;
- Easing the provision by travel agents and airlines of authorized travel services and the forwarding by certain entities of authorized remittances;
- Raising the limits on and authorizing certain categories of remittances to Cuba;
- Allowing U.S. financial institutions to open correspondent accounts at Cuban financial institutions to ease the processing of authorized transactions;
- Authorizing certain transactions with Cuban nationals located outside of Cuba; and
- Allowing activities related to telecommunications, financial services, trade, and shipping.

This memorial expresses profound disagreement with the decision of the President to restore full diplomatic relations with Cuba, and opposes the opening of a Cuban consulate or any diplomatic office in Florida. Furthermore, the memorial urges Congress to uphold the embargo until the dictatorship is no longer in power and basic human and civil rights are again recognized in Cuba.

Legislative memorials are not subject to the Governor's veto power and are not presented to the Governor for review. Memorials have no force of law, as they are mechanisms for formally petitioning the U.S. Congress to act on a particular subject.

This memorial does not have a fiscal impact on state or local governments.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Background

In 1898 Spain relinquished control of Cuba to the U.S. with the Treaty of Paris, and in 1902, the U.S. granted Cuba its independence but retained the right to intervene only to preserve Cuban independence and stability.¹ Subsequently, in 1934, Cuba and the U.S. entered into a treaty, which, among other things, leased Guantanamo Bay naval base to the U.S.²

In 1959, Cuba's authoritarian regime, led by Fidel Castro, assumed power by force over the Fulgencio Batista regime. After Castro declared that Cuba was a socialist state in 1961, he developed close ties with the Soviet Union that lasted for the next 30 years.³ Castro worked to advance geopolitical goals of the Soviet Union, funded violent insurrectional activities and participated in foreign interventions.⁴

The relationship between the U.S. and Cuba deteriorated when the Cuban government expropriated U.S. properties, moved toward the adoption of a one-party communist system,⁵ and hiked taxes on U.S. imports.⁶ In response, the U.S. imposed an exports embargo on Cuba in 1960, and officially severed diplomatic relations with the Cuban government in 1961.⁷ The embargo included commercial, economic, and financial restrictions. Currently, the Cuban embargo is enacted through various federal laws including the Cuban Assets Control Regulations,⁸ the Export Administration Act,⁹ and the Cuban Liberty and Democratic Solidarity Act of 1996.¹⁰

Cuban Assets Control Regulations

The Cuban Assets Control Regulations (Regulations), implemented by the Department of the Treasury's Office of Foreign Assets Control (OFAC), was issued in 1963 in response to certain hostile actions by the Cuban government.¹¹ They are still in force today and affect all U.S. citizens and permanent residents wherever they are located, all people and organizations physically in the U.S., and all branches and subsidiaries of U.S. organizations throughout the world.¹² The goal of the sanctions is to isolate the Cuban government economically and deprive it of U.S. dollars.¹³ The Regulations generally prohibit the following:¹⁴

¹ U.S. Department of State Background Notes on Cuba, November, 2011, *available at* <http://www.state.gov/outofdate/bgn/cuba/191090.htm> (last visited February 23, 2015)

² *Id.*

³ *Id.*

⁴ *Id.*

⁵ *Id.*

⁶ Council on Foreign Relations, *available at* <http://www.cfr.org/cuba/us-cuba-relations/p11113> (last visited February 23, 2015)

⁷ U.S. Department of State Background Notes on Cuba, November, 2011, *available at* <http://www.state.gov/outofdate/bgn/cuba/191090.htm> (last visited February 23, 2015)

⁸ 31 CFR Part 515

⁹ 15 CFR, parts 730-774

¹⁰ 22 U.S. Code, §6021-6091

¹¹ U.S. Department of the Treasury Overview of the Cuban Assets Control Regulations, 2001, *available at* <http://www.treasury.gov/resource-center/sanctions/Documents/tab4.pdf> (last visited February 23, 2015)

¹² *Id.*

¹³ *Id.*

¹⁴ *Id.*

- Products, technology, or services from being exported from the U.S., except for publications, informational materials, certain donated food, and certain goods licensed for export or re-export by the U.S. Department of Commerce (medicine and medicinal supplies, food, and agricultural commodities). This prohibition includes dealing in or assisting the sale of goods or commodities to or from Cuba, even if done entirely offshore.
- Importing Cuban-origin goods or services, either directly or through third countries.
- Transactions involving property in which Cuba or a Cuban national has an interest.
- Buying from or selling to Cuban nationals, whether they are physically located in Cuba or doing business elsewhere on behalf of Cuba.
- Cuban interests involving assets and accounts.
- Cuban gift parcels that exceed a certain amount.

Additionally, only persons with certain licenses are allowed to engage in travel-related transactions in Cuba.¹⁵ Also, U.S. persons aged 18 or older may send to the household of any individual in Cuba "individual-to-household" cash remittances of up to \$300 per household in any consecutive three-month period, provided that no member of the household is a senior-level Cuban government or senior-level Cuban communist party official.¹⁶

The Regulations have been amended numerous times. Specifically, the Regulations were amended under President Obama in 2009 to promote democracy and human rights in Cuba by easing travel restrictions to facilitate greater contact between separated family members in the U.S. and Cuba and by increasing the flow of remittances and information to the Cuban people.¹⁷ The Regulations were amended again under President Obama in 2011 to increase people-to-people contact, support civil society in Cuba, enhance the free flow of information to, from, and among the Cuban people, and help promote their independence from Cuban authorities.

Export Administration Regulations

The Department of Commerce, through the Export Administration Regulations (EAR), implements the Export Administration Act of 1979,¹⁸ which regulates the export or re-export of U.S.-origin dual-use goods, software, and technology.¹⁹ The Department of Commerce also imposes certain export and re-export controls for foreign policy reasons, notably against countries designated by the U.S. Secretary of State as state sponsors of international terrorism. In 1982, Cuba was officially designated as a country to have repeatedly provided support for acts of international terrorism.^{20,21}

Cuban Liberty and Democratic Solidarity Act of 1996

The Cuban Liberty and Democratic Solidarity Act of 1996, among other things, requires the President, upon determining that a democratically-elected government is in power in Cuba, to designate a U.S.-Cuba Council to:²²

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ Federal Register's final rule on Cuban Assets Control Regulations, 31 CFR part 515, available at <https://www.federalregister.gov/articles/2015/01/16/2015-00632/cuban-assets-control-regulations> (last visited February 23, 2015)

¹⁸ 50 U.S. Code, App 2401-2420

¹⁹ U.S. Department of State website on "A Resource on Strategic Trade Management and Export Controls," available at <http://www.state.gov/strategictrade/overview/> (last visited February 23, 2015)

²⁰ U.S. Department of State website on "State Sponsors of Terrorism," available at <http://www.state.gov/j/ct/list/c14151.htm> (last visited February 23, 2015).

²¹ Cuba is considered a terrorist nation by three federal laws: the Export Administration Act, the Arms Export Control Act, and the Foreign Assistance Act.

²² Library of Congress Summary for the Cuban Liberty and Democratic Solidarity Act of 1996, Section 203, available at <https://www.govtrack.us/congress/bills/104/hr927/summary> (LIBERTAD) Act of 1996 (version) - GovTrack.us (last visited February 24, 2015)

- Ensure coordination between the U.S. government and the private sector in responding to change and promoting market-based development in Cuba;
- Establish periodic meetings between the U.S. and Cuban private sectors for the purpose of facilitating bilateral trade; and
- Requires the President, once he has sent the Congress a determination that a transition or a democratically-elected government is in power in Cuba, to report to appropriate congressional committees on the assistance provided to Cuba.

Only after the President has sent a determination to Congress, is the President authorized to suspend the U.S. economic embargo against Cuba.²³ Furthermore, the President is authorized to terminate the embargo **only** when a democratically-elected government is installed and a joint resolution has been passed by Congress disapproving of such action.²⁴

Cuban Political Conditions and Human Rights

Under Castro, fundamental freedoms have been restricted, political opponents have been repressed, and human rights have been violated. Raul Castro replaced his brother in 2008 as chief of state, president of Cuba, and commander-in-chief of the armed forces.²⁵ Cuba, as a totalitarian communist state, controls most aspects of Cuban life through the Communist Party, the government bureaucracy, and the state security apparatus.²⁶

The government restricts freedom of movement, both domestically and internationally, freedom of speech, freedom of the press, and freedom of assembly.²⁷ The government maintains complete control over all forms of mass media, including newspapers, radio and television.²⁸

Diplomatic and Economic Changes to Cuba Sanctions

On December 17, 2014, President Obama announced diplomatic and economic changes to begin normalizing the relationship between the U.S. and Cuba. Generally, the changes include, but are not limited to:²⁹

- Allowing travel to Cuba for authorized purposes;
- Easing the provision by travel agents and airlines of authorized travel services and the forwarding by certain entities of authorized remittances;
- Raising the limits on and authorizing certain categories of remittances to Cuba;
- Allowing U.S. financial institutions to open correspondent accounts at Cuban financial institutions to ease the processing of authorized transactions;
- Authorizing certain transactions with Cuban nationals located outside of Cuba; and
- Allowing activities related to telecommunications, financial services, trade, and shipping.

The U.S. Department of the Treasury and the U.S. Department of Commerce were directed to revise the Cuban Assets Control Regulations and the Export Administration Regulations to implement the changes. The regulations became effective on January 16, 2015.

In addition to the above economic and diplomatic changes, President Obama, in his statement on the Cuba policy changes,³⁰ directed the Secretary of State to review Cuba's designation as a State

²³ *Id.* at section 204

²⁴ *Id.*

²⁵ U.S. Department of State Background Notes on Cuba, November, 2011, *available at* <http://www.state.gov/outofdate/bgn/cuba/191090.htm> (last visited February 23, 2015)

²⁶ *Id.*

²⁷ *Id.*

²⁸ *Id.*

²⁹ U.S. Department of the Treasury Fact Sheet on the Regulatory Amendments to the Cuba Sanctions, *available at* <http://www.treasury.gov/press-center/press-releases/Pages/j19740.aspx> (last visited February 24, 2015)

Sponsor of Terrorism. Moreover, after the government of Canada hosted discussions with the Cuban government, the U.S. government, and at the urging of Pope Francis, it was arranged for Alan Gross, a USAID sub-contractor, to be released in exchange for three Cuban spies. Gross was wrongfully imprisoned for five years and was released on humanitarian grounds. Only after Gross was released, did President Obama announce the economic and diplomatic changes. A U.S. intelligence asset jailed in Cuba for 20 years was also released. Lastly, President Obama stated that the U.S. will reestablish an embassy in Havana in the coming months.

Effect of Proposed Changes

This memorial expresses profound disagreement with the decision of the President of the United States to restore full diplomatic relations with Cuba and opposes the opening of a Cuban consulate or any diplomatic office in Florida. Furthermore, the memorial urges Congress to uphold the embargo until the dictatorship is no longer in power and basic human and civil rights are again recognized in Cuba.

Copies of the memorial will be sent to the President, the President of the U.S. Senate, the Speaker of the U.S. House of Representatives, and each member of the Florida delegation to the U.S. Congress.

Legislative memorials are not subject to the Governor's veto power and are not presented to the Governor for review. Memorials have no force of law, as they are mechanisms for formally petitioning the U.S. Congress to act on a particular subject.

B. SECTION DIRECTORY:

Not applicable.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

³⁰ President Obama's statement on Cuba Policy Changes can be found on The White House Office of the Press Secretary's website, available at <http://www.whitehouse.gov/the-press-office/2014/12/17/statement-president-cuba-policy-changes> (last visited February 24, 2015)

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

Not applicable.

House Memorial

A memorial to the President of the United States and the Congress of the United States expressing profound disagreement with the decision of the President to restore full diplomatic relations with Cuba, opposing the opening of a consulate or any diplomatic office in this state, and urging the upholding of the embargo.

WHEREAS, On December 17, 2014, the President of the United States announced that this country would restore full diplomatic relations with the nation of Cuba after more than 50 years of unconcealed hostility, and

WHEREAS, the Cuban people have been under the crushing yoke of a brutal communist dictatorship since 1959, led first by Fidel Castro and more recently by his brother Raul, and

WHEREAS, the actions of the Castro brothers have resulted in the impoverishment of the Cuban people and a complete and blatant disregard for human rights and democratic principles by the government of that nation, and

WHEREAS, under the Castro brothers, Cuba has been an active and ominous threat to the vital interests of the United States and all peace-loving nations, as members of Cuba's military and diplomatic corps have worked assiduously to promote violent, anti-democratic revolutions across the globe, and

WHEREAS, the diplomatic initiative announced by the President involved the release of U.S. government subcontractor

HM 727

2015

27 | Alan Gross by Cuba after 5 years of detention due to the absurd
 28 | and unfounded allegation of the Cuban government that he was a
 29 | spy, and the release by the United States of three convicted
 30 | Cuban spies linked to terrorist activities in this country, and

31 | WHEREAS, numerous respected public officials, both
 32 | Democratic and Republican, at the federal and state levels have
 33 | denounced this restoration of diplomatic relations and strongly
 34 | believe that it will do nothing to free the Cuban people from
 35 | the poverty and injustice they have suffered for more than a
 36 | half century and that it will only serve to support a tottering,
 37 | bankrupt dictatorship, and

38 | WHEREAS, the residents of this state are all too familiar
 39 | with the viciousness of the Castro regime due to the presence of
 40 | millions of Cuban-born men and women who fled from a regime
 41 | intent on stealing their property and putting them at the
 42 | service of a brutal military government, as they outlawed
 43 | religious expression, and indoctrinated children to engage in
 44 | espionage against their own family members, and

45 | WHEREAS, these men and women are heartbroken over how the
 46 | Castro brothers have destroyed the culture and economic vitality
 47 | of their beloved island homeland, and

48 | WHEREAS, it is fitting and proper for the members of the
 49 | Florida Senate and the Florida House of Representatives to
 50 | express profound disagreement with the decision of the President
 51 | of the United States to restore full diplomatic relations with
 52 | Cuba, NOW, THEREFORE,

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Be It Resolved by the Legislature of the State of Florida:

That we express profound disagreement with the decision of the President of the United States to restore full diplomatic relations with Cuba, oppose the opening of a Cuban consulate or any diplomatic office in this state, and urge the Congress of the United States to uphold the embargo until such a time when this arcane dictatorship is no longer in power and the most basic human and civil rights are once again recognized in Cuba.

BE IT FURTHER RESOLVED that copies of this memorial be dispatched to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, and each member of the Florida delegation to the United States Congress.