



Local, Federal & Veterans Affairs Subcommittee

January 25, 2017
9:00 AM – 11:00 AM
12 HOB

Action Packet

Committee Meeting Notice

HOUSE OF REPRESENTATIVES

Local, Federal & Veterans Affairs Subcommittee

Start Date and Time: Wednesday, January 25, 2017 09:00 am

End Date and Time: Wednesday, January 25, 2017 11:00 am

Location: 12 HOB

Duration: 2.00 hrs

Consideration of the following bill(s):

HB 139 Local Tax Referenda by Ingoglia, Avila

Presentation by the Florida Defense Support Task Force:

- Military bases in Florida
- Encroachment issues

Presentation by the Florida Housing Finance Corporation: Introduction to the affordable housing program

NOTICE FINALIZED on 01/18/2017 4:00PM by Smith.Victoria

COMMITTEE MEETING REPORT
Local, Federal & Veterans Affairs Subcommittee

1/25/2017 9:00:00AM

Location: 12 HOB

Summary:

Local, Federal & Veterans Affairs Subcommittee

Wednesday January 25, 2017 09:00 am

HB 139 Favorable

Yeas: 15

Nays: 0

Committee meeting was reported out: Wednesday, January 25, 2017 11:30:00AM

COMMITTEE MEETING REPORT
Local, Federal & Veterans Affairs Subcommittee

1/25/2017 9:00:00AM

Location: 12 HOB

Attendance:

| | <i>Present</i> | <i>Absent</i> | <i>Excused</i> |
|----------------------|----------------|---------------|----------------|
| Scott Plakon (Chair) | X | | |
| Joseph Abruzzo | X | | |
| Daisy Baez | X | | |
| Kamia Brown | X | | |
| Daniel Burgess, Jr. | X | | |
| Colleen Burton | X | | |
| Blaise Ingoglia | X | | |
| Thomas Leek | X | | |
| MaryLynn Magar | X | | |
| Mike Miller | X | | |
| Mel Ponder | X | | |
| Jake Raburn | X | | |
| Paul Renner | X | | |
| Carlos Smith | X | | |
| Patricia Williams | X | | |
| Totals: | 15 | 0 | 0 |

Committee meeting was reported out: Wednesday, January 25, 2017 11:30:00AM

COMMITTEE MEETING REPORT
Local, Federal & Veterans Affairs Subcommittee

1/25/2017 9:00:00AM

Location: 12 HOB

HB 139 : Local Tax Referenda

Favorable

| | Yea | Nay | No Vote | Absentee Yea | Absentee Nay |
|-----------------------|-----|----------------------|---------|-----------------|-----------------|
| Joseph Abruzzo | X | | | | |
| Daisy Baez | X | | | | |
| Kamia Brown | X | | | | |
| Daniel Burgess, Jr. | X | | | | |
| Colleen Burton | X | | | | |
| Blaise Ingoglia | X | | | | |
| Thomas Leek | X | | | | |
| MaryLynn Magar | X | | | | |
| Mike Miller | X | | | | |
| Mel Ponder | X | | | | |
| Jake Raburn | X | | | | |
| Paul Renner | X | | | | |
| Carlos Smith | X | | | | |
| Patricia Williams | X | | | | |
| Scott Plakon (Chair) | X | | | | |
| Total Yeas: 15 | | Total Nays: 0 | | | |

Appearances:

Pitts, Brian (General Public) - Information Only
 Justice-2-Jesus
 1119 Newton Ave. S.
 St. Petersburg FL 33705
 Phone: 727-897-9291

Zander, Skylar (Lobbyist) - Waive In Support
 Americans for Prosperity
 Deputy State Director
 200 W College Ave
 Tallahassee FL 32301
 Phone: (850) 728-4522

Hughes, Amber (Lobbyist) - Proponent
 Florida League of Cities
 PO Box 1757
 Tallahassee FL 32302
 Phone: (850) 701-3621

Youmans, Laura (Lobbyist) - Proponent
 Florida Association of Counties
 100 S Monroe St
 Tallahassee FL 32301
 Phone: (850) 922-4300

Committee meeting was reported out: Wednesday, January 25, 2017 11:30:00AM

COMMITTEE MEETING REPORT
Local, Federal & Veterans Affairs Subcommittee

1/25/2017 9:00:00AM

Location: 12 HOB

Presentation/Workshop/Other Business Appearances:

Florida Defense Support Task Force
Bruce Grant - Information Only
Florida Defense Support Task Force
Executive Director
101 N. Monroe St.
Tallahassee Florida 32301
Phone: 850-298-6652

Intro to Affordable Housing
Nancy Muller - Information Only
Florida Housing Finance Corporation
Policy Director
227 N Bronough Suite 5000
Tallahassee Florida 32301
Phone: 850-488-4197



Intro to Affordable Housing
Reecy, Ken (Lobbyist) - Information Only
Florida Housing Finance Corporation
227 N Bronough St Ste 5000
Tallahassee FL 32301
Phone: (850) 488-4197

Intro to Affordable Housing
David Westcott - Information Only
Florida Housing Finance Corporation
Director of Homeownership Programs
227 N Bronough St Suite 5000
Tallahassee Florida 32301
Phone: 850-488-4197

Committee meeting was reported out: Wednesday, January 25, 2017 11:30:00AM

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 139 Local Tax Referenda
SPONSOR(S): Ingoglia and others
TIED BILLS: IDEN./SIM. **BILLS:** SB 278

| REFERENCE | ACTION | ANALYST | STAFF DIRECTOR or BUDGET/POLICY CHIEF |
|---|-----------|--|--|
| 1) Local, Federal & Veterans Affairs Subcommittee | 15 Y, 0 N | Darden  | Miller  |
| 2) Ways & Means Committee | | | |
| 3) Government Accountability Committee | | | |

SUMMARY ANALYSIS

The Florida Constitution preempts all forms of taxation, except for ad valorem taxes on real estate and tangible personal property, to the state unless otherwise provided by general law. Section 212.055, F.S., provides counties limited authority to levy discretionary sales surtaxes for specific purposes on transactions subject to state sales tax. With some exceptions, discretionary sales surtaxes generally are subject to approval by a majority of the qualified electors in a referendum.

Forty-nine counties and sixteen school districts across the state levy at least one local discretionary sales surtax. These surtaxes will generate an estimated \$2.2 billion in revenue during fiscal year 2016-17.

The bill requires any referendum to levy a discretionary sales surtax to be held during a general election and approved by a majority of electors voting on the ballot question.

The bill provides an effective date of July 1, 2017.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Introduction

Discretionary Sales Surtax

The Florida Constitution preempts all forms of taxation, except for ad valorem taxes on real estate and tangible personal property, to the state unless otherwise provided by general law.¹ By statute, counties have limited authority to levy a discretionary sales surtax for specific purposes on transactions subject to state sales tax.² These purposes include:

- Operating a transportation system in a charter county;³
- Financing local government infrastructure projects;⁴
- Providing additional revenue for counties having less than 50,000 residents as of April 1, 1992;⁵
- Providing medical care for indigent persons;⁶
- Funding trauma centers;⁷
- Operating, maintaining, and administering a county public general hospital;⁸
- Constructing and renovating schools;⁹
- Providing emergency fire rescue services and facilities; and¹⁰
- Funding pension liability shortfalls.¹¹

The surtax is collected by the Department of Revenue (DOR) using the same procedures utilized for the administration, collection, and enforcement of the general state sales tax.¹² DOR places these funds into the Discretionary Sales Surtax Clearing Trust Fund. A separate account is established for each county imposing a discretionary surtax. The proceeds of the surtax are distributed to the county on a monthly basis, minus an administrative fee of the lesser of three percent or administrative costs solely and directly attributable to the surtax. Each county is liable for administrative costs equal to its prorated share of discretionary sales surtax revenue to the amount collected statewide.¹³

New surtaxes and rate changes to existing surtaxes take effect on January 1, while the repeal of an existing surtax takes effect on December 31.¹⁴ The governing body of the county or the school district must notify DOR of the imposition, termination, or rate change of a discretionary sales surtax within 10 days of final adoption by ordinance or referendum, but no later than November 16. The notification must include the duration of the surtax, the surtax rate, a copy of the ordinance, and any additional information DOR requires by rule.¹⁵ If the county or school district fails to provide timely notice, the

¹ Art. VII, s. 1(a), Fla. Const.

² Section 212.054, F.S.; s. 212.055, F.S.

³ Section 212.055(1), F.S.

⁴ Section 212.055(2), F.S.

⁵ Section 212.055(3), F.S.

⁶ Section 212.055(4)(a), F.S. (for counties with more than 800,000 residents); s. 212.055(7), F.S. (for counties with less than 800,000 residents)

⁷ Section 212.055(4)(b), F.S.

⁸ Section 212.055(5), F.S.

⁹ Section 212.055(6), F.S.

¹⁰ Section 212.055(8), F.S.

¹¹ Section 212.055(9), F.S.

¹² Section 212.054(4)(a), F.S.

¹³ Section 212.054(4)(b), F.S.

¹⁴ Section 212.054(5), F.S.

¹⁵ Section 212.054(7)(a), F.S.

effective date of the change is delayed by one year.¹⁶ Counties and school districts are also required to notify DOR if a referendum or consideration of an ordinance to impose, terminate, or change the rate of a surtax is to occur after October 1.¹⁷

The forty-nine counties and fifteen school districts levying one or more discretionary sales surtaxes are projected to realize \$2.2 billion in revenue in fiscal year 2016-17.¹⁸ If all counties and school districts levied discretionary sales surtaxes at the maximum possible rate, they would be projected to raise \$11.68 billion in revenue in fiscal year 2016-17.¹⁹

Most local discretionary sales surtaxes may only be approved by referendum, while some may be approved by an extraordinary vote of the county commission.²⁰ For those requiring voter approval, the referendum must be approved by a majority of electors voting.²¹ Except for the emergency fire rescue services and facilities surtax, the date of the referendum is at the discretion of the county commission.²²

Referendum Process

The Florida Election Code states the general requirements for a referendum.²³ The question presented to voters must contain a ballot summary with clear and unambiguous language, such that a “yes” or “no” vote on the measure indicates approval or rejection, respectively.²⁴ The ballot summary should explain the chief purpose of the measure and may not exceed 75 words.²⁵ The ballot summary and title must be included in the resolution or ordinance calling for the referendum.²⁶ For some discretionary sales surtaxes, the form of the ballot question is specified by statute.²⁷

Five types of elections exist under the Election Code: primary elections, special primary elections, special elections, general elections, and presidential preference primary elections.²⁸ A “general election” is held on the first Tuesday after the first Monday in November in even-numbered years to fill national, state, county, and district offices, and for voting on constitutional amendments.²⁹

Effect of Proposed Changes

The bill requires any referendum to levy a discretionary sales surtax to be held during a general election and to be approved by a majority of electors voting on the ballot question.

B. SECTION DIRECTORY:

Section 1: Amends 212.055, F.S., requiring discretionary sales surtax referendums to be during a general election and approved a majority of electors voting on the ballot question.

¹⁶ *Id.*

¹⁷ Section 212.054(7)(b), F.S. The deadline for this notification is October 1.

¹⁸ *2016 Florida Tax Handbook*, Office of Economic and Demographic Research, p. 216.

¹⁹ *2016 Local Government Financial Information Handbook*, Office of Economic and Demographic Research, p. 150.

²⁰ *See generally* s. 212.055, F.S., *but see* s. 212.055(3), F.S. (small county surtax may be approved by extraordinary vote of the county commission, as long as surtax revenues are not used for servicing bond indebtedness), s. 212.055(4), F.S. (indigent care and trauma center surtax may be approved by extraordinary vote of the county commission), and s. 212.055(5), F.S. (county public hospital surtax may be approved by extraordinary vote of the county commission).

²¹ Section 212.055, F.S.

²² *E.g.* s. 212.055(1)(c), F.S. (referendum for charter county and regional transportation system to be held at a time “set at the discretion of the governing body”); *but see* s. 212.055(8)(b), F.S. (referendum for emergency fire rescue services and facilities surtax must be placed on the ballot of a “regularly scheduled election”).

²³ Section 101.161, F.S.

²⁴ Section 101.161(1), F.S.

²⁵ *Id.*

²⁶ *Id.*

²⁷ *See* s. 212.055(4)(b)1., F.S. (ballot question for discretionary sales surtax for trauma centers).

²⁸ Section 97.021(11), F.S.

²⁹ Art. VI, s. 5(a), Fla. Const. (also codified as s. 97.021(15), F.S.)

Section 2: Provides an effective date of July 1, 2017.

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:

By requiring any discretionary sales surtax referendum to occur on the day of the general election, this bill reduces local government expenditures to the extent local governments would otherwise expend funds to call a special election for approval of a discretionary sales surtax.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

None.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

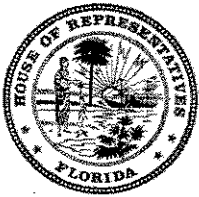
The bill does not provide rulemaking authority or require executive branch rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

None.



COMMITTEE/SUBCOMMITTEE APPEARANCE RECORD

Please fill out the entire form and submit both copies to the Committee Administrative Assistant at the meeting.

Bill [X] Amendment []
Bill/PCS/PCB Number: 139
Amendment Number: []

Name: Amber Hughes

Representing: Florida League of Cities

Title: Sr. Legislative Advocate

Address: PO Box 1757

City: Tallahassee State/Zip: FL 32302

Phone Number: 850 701 3621 Meeting Date: 1/25/17

Committee/Subcommittee: Local, Federal ? Vets

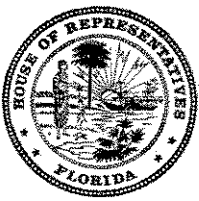
Presentation/Workshop Topic: Local Referenda

Registered Lobbyist: YES [X] NO []
State Employee: YES [] NO [X]

- I wish to speak [X]
Appearing in response to an inquiry for information made by member, committee, or staff []
Appearing in response to subpoena []
Appearing at the written request of the chair []
Judge or elected officer appearing in official capacity []
Lobbyist Appearance form submitted online []

(If you are testifying on an amendment, please also indicate your position as a proponent or opponent on the bill as a whole.)

Bill: Proponent [] Opponent [] Info only [X]
Amendment: Proponent [] Opponent [] Info only []



COMMITTEE/SUBCOMMITTEE APPEARANCE RECORD

Please fill out the entire form and submit both copies to the Committee Administrative Assistant at the meeting.

Bill [checked] Amendment []
Bill/PCS/PCB Number: HB 139
Amendment Number: []

Name: LAURA YOUNG

Representing: FLORIDA ASSOC. OF COUNTIES

Title: []

Address: []

City: [] State/Zip: []

Phone Number: [] Meeting Date: []

Committee/Subcommittee: HB 139

Presentation/Workshop Topic: []

Registered Lobbyist: YES [] NO []

State Employee: YES [] NO []

- I wish to speak [checked]
Appearing in response to an inquiry for information made by member, committee, or staff []
Appearing in response to subpoena []
Appearing at the written request of the chair []
Judge or elected officer appearing in official capacity []
Lobbyist Appearance form submitted online []

(If you are testifying on an amendment, please also indicate your position as a proponent or opponent on the bill as a whole.)

Bill: Proponent [] Opponent [] Info only [checked]

Amendment: Proponent [] Opponent [] Info only []



COMMITTEE/SUBCOMMITTEE APPEARANCE RECORD

Please fill out the entire form and submit both copies to the Committee Administrative Assistant at the meeting.

| | |
|-------------------------------|------------------------------------|
| <input type="checkbox"/> Bill | <input type="checkbox"/> Amendment |
| Bill/PCS/PCB Number: _____ | |
| Amendment Number: _____ | |

Name: BRUCE GRANT

Representing: FL DEFENSE SUPPORT TASK FORCE

Title: EXECUTIVE DIRECTOR

Address: 101 N. MONROE ST

City: TALLAHASSEE State/Zip: FL 32301

Phone Number: 850-298-6652 Meeting Date: 25 JAN 2017

Committee/Subcommittee: LOCAL, FEDERAL / VETERANS AFFAIRS

Presentation/Workshop Topic: FL DEFENSE SUPPORT TASK FORCE

Registered Lobbyist: YES NO

State Employee: YES NO

- I wish to speak
- Appearing in response to an inquiry for information made by member, committee, or staff
- Appearing in response to subpoena
- Appearing at the written request of the chair
- Judge or elected officer appearing in official capacity
- Lobbyist Appearance form submitted online

(If you are testifying on an amendment, please also indicate your position as a proponent or opponent on the bill as a whole.)

Bill: Proponent Opponent Info only

Amendment: Proponent Opponent Info only



PLEASE FILL OUT THE ENTIRE FORM AND SUBMIT TWO COPIES TO THE COMMITTEE/SUBCOMMITTEE ADMINISTRATIVE ASSISTANT AT THE MEETING

TYPE OR PRINT CLEARLY

COMMITTEE/SUBCOMMITTEE APPEARANCE RECORD

Bill Number 139 Date 1/25/2017
Name BRIAN PITTS
Title TRUSTEE
Address 1119 NEWTON AVENUE SOUTH
City SAINT PETERSBURG State/Zip FLORIDA/33705
Phone Number 727/897-9291
Representing JUSTICE-2-JESUS

Lobbyist (registered) YES [] NO [x]
State Employee YES [] NO [x]

If you are testifying regarding an amendment, please indicate if your position as a proponent or an opponent is the same as on the bill as a whole.

I wish to speak [x] Proponent [] []
I have been requested to speak [] Opponent [] []
Information [] [x]

Subject matter:

Committee/Subcommittee: LEV



COMMITTEE/SUBCOMMITTEE APPEARANCE RECORD

Please fill out the entire form and submit two copies to the committee/subcommittee Administrative Assistant at the meeting.

Type or Print Clearly

Bill Number: HB 139 Meeting Date: 1/25/17

Fill in appropriate information:

PCB/PCS/Amendment # or Presentation/Workshop Topic: _____

Committee/Subcommittee: Local, Federal & Veterans Affairs

Name: Skylar Zander

Title: Deputy State Director

Address: 200 W. College Ave. Suite 109

City: Tallahassee State/Zip: FL 32301

Phone Number: 850-728-4522

Representing: Americans for Prosperity

Registered Lobbyist: YES NO

State Employee: YES NO

I Wish To Speak: YES NO *Wave in Support*

I Have Been Requested to Speak: YES NO

| Bill | | Amendment | |
|---|-----------------------------------|------------------------------------|-----------------------------------|
| Proponent <input checked="" type="checkbox"/> | Opponent <input type="checkbox"/> | Proponent <input type="checkbox"/> | Opponent <input type="checkbox"/> |
| Info Only <input type="checkbox"/> | | Info Only <input type="checkbox"/> | |



COMMITTEE/SUBCOMMITTEE APPEARANCE RECORD

Please fill out the entire form and submit both copies to the Committee Administrative Assistant at the meeting.

| | |
|-------------------------------|------------------------------------|
| <input type="checkbox"/> Bill | <input type="checkbox"/> Amendment |
| Bill/PCS/PCB Number: _____ | |
| Amendment Number: _____ | |

Name: Ken Reecy

Representing: Florida Housing Finance Corporation

Title: Interim Director

Address: 227 N. Bronough St, Suite 5000

City: Tallahassee State/Zip: FL 32301

Phone Number: 850 488 4197 Meeting Date: 1/25/17

Committee/Subcommittee: House Local, Federal, & Veterans

Presentation/Workshop Topic: Introduction of affordable Subcom. Housing

Registered Lobbyist: YES NO

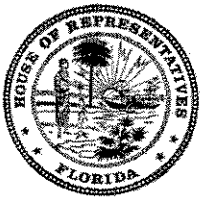
State Employee: YES NO

- I wish to speak
- Appearing in response to an inquiry for information made by member, committee, or staff
- Appearing in response to subpoena
- Appearing at the written request of the chair
- Judge or elected officer appearing in official capacity
- Lobbyist Appearance form submitted online

(If you are testifying on an amendment, please also indicate your position as a proponent or opponent on the bill as a whole.)

Bill: Proponent Opponent Info only

Amendment: Proponent Opponent Info only



COMMITTEE/SUBCOMMITTEE APPEARANCE RECORD

Please fill out the entire form and submit both copies to the Committee Administrative Assistant at the meeting.

Bill Amendment
Bill/PCS/PCB Number:
Amendment Number:

Name: NANCY MULLER

Representing: FLORIDA HOUSING FINANCE CORPORATION

Title: POLICY DIRECTOR

Address: 227 N. BRONOUGH, STE 5000

City: TALLAHASSEE State/Zip: FL 32301

Phone Number: (850)488-4197 Meeting Date: 1/25/2017

Committee/Subcommittee: LOCAL, FEDERAL & VETERANS AFFAIRS SUBCOMMITTEE

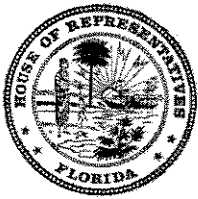
Presentation/Workshop Topic: INTRODUCTION OF AFFORDABLE HOUSING

Registered Lobbyist: YES NO
State Employee: YES NO

- I wish to speak
Appearing in response to an inquiry for information made by member, committee, or staff
Appearing in response to subpoena
Appearing at the written request of the chair
Judge or elected officer appearing in official capacity
Lobbyist Appearance form submitted online

(If you are testifying on an amendment, please also indicate your position as a proponent or opponent on the bill as a whole.)

Bill: Proponent Opponent Info only
Amendment: Proponent Opponent Info only



COMMITTEE/SUBCOMMITTEE APPEARANCE RECORD

Please fill out the entire form and submit both copies to the Committee Administrative Assistant at the meeting.

| | |
|-------------------------------|------------------------------------|
| <input type="checkbox"/> Bill | <input type="checkbox"/> Amendment |
| Bill/PCS/PCB Number: _____ | |
| Amendment Number: _____ | |

Name: David Westcott

Representing: Florida Housing Finance Corporation

Title: Director of Homeownership Programs

Address: 227 N Bronough St, Suite 5000

City: Jallaharsee State/Zip: FL 32301

Phone Number: 8504884197 Meeting Date: 1/25/17

Committee/Subcommittee: House Local, Federal, Veteran Affairs

Presentation/Workshop Topic: Introduction to Affordable Housing Subcom.

Registered Lobbyist: YES NO *Housing*

State Employee: YES NO

- I wish to speak
- Appearing in response to an inquiry for information made by member, committee, or staff
- Appearing in response to subpoena
- Appearing at the written request of the chair
- Judge or elected officer appearing in official capacity
- Lobbyist Appearance form submitted online

(If you are testifying on an amendment, please also indicate your position as a proponent or opponent on the bill as a whole.)

Bill: Proponent Opponent Info only

Amendment: Proponent Opponent Info only