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2012 LEGISLATIVE SESSION SUMMARY FLORIDA REDEVELOPMENT ASSOCIATION

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- The Florida Legislature concluded the 2012 Legislative Session at 11:59 pm on Friday, March 9. In a 15-hour final day, lawmakers sent Governor Rick Scott a \$70 billion budget that creates a 12th state university in Lakeland, closes six prisons and eliminates another 4,400 jobs, nearly 4 percent of the state's work force.

- No new taxes or fees and an additional \$1.1 billion for public schools. Medicaid hospital and nursing home reimbursement rates reduced.

- The Florida Supreme Court approved the Legislature's redistricting plan for the House but rejected the redistricting plan for the Senate.
- The Legislature returned on March 14 in an Extraordinary Apportionment Session and proposed new Senate maps that have now been approved.

- There were more than 2,000 bills filed in the 2012 Session and only 292 passed both chambers.

1. GOVERNOR'S EXECUTIVE ORDER NUMBER 12-10 (REVIEW OF SPECIAL DISTRICTS)

- During the first week of the 2012 Legislative Session, Governor Rick Scott issued his much-anticipated executive order on special districts. A copy of the order can be found at the following link:

<http://www.flgov.com/wp-content/uploads/2012/01EO-12-10.pdf>

- The order directs the Governor’s Office of Policy and Budget (“OPB”) to conduct an examination of all special districts in Florida and to “make recommendations on the role of special districts in the State, with a special focus on increasing efficiency, fiscal accountability, and the transparency of operations to the public.”
- The nine criteria to be examined include:

- The method of creation and the legislative intent behind the creation of each special district, including an evaluation of whether the special district continues to function for the purpose for which it was created.
- The governance structure of each special district, including the method of appointment and tenure of the governing members.

- The functions and activities of each special district to determine if a special district is the most efficient and appropriate method of governance.
- The annual budgets of each special district in order to determine the appropriateness of the budget expenditures.
- The special districts' levy of ad valorem and non-ad valorem taxes, fees and assessments to determine if they are at an appropriate level.

- The special districts' policies regarding organizational structure, personnel, salaries and benefits, operating capital outlay, and related expenses in order to recommend more efficient and uniform policies among all special districts.
- The required disclosures for properties within the jurisdiction of a special district to taxpayers who purchase property within such special district.

- Whether there is a periodic procedure for evaluating the continued need, ongoing accountability, and efficacy of each special district.
- The level of oversight of special districts, including whether special districts are complying with their reporting requirements, and determining whether the present level of oversight is sufficient.

- The order directs OPB to submit detailed reports to the Governor setting forth findings and recommendations, including any recommendations for legislative action.
- Each report is required to detail how many districts have been reviewed and how many remain to be reviewed.

- At the completion of the review of all special districts, OPB shall submit a final, comprehensive report detailing its findings and recommendations as to how to improve special districts efficiency, fiscal accountability, and transparency of operations.

- The first groups of special districts to be reviewed are mosquito districts and fire rescue districts.
- Per the Governor's office, those reports will be issued within the next two months.

- Expected focus – revenue sources, budgets, administrative/statutory structure, financial reporting/compliance.
- Redevelopment districts are next.

1. SPECIAL DISTRICTS LEGISLATION

- HB 107 (Caldwell) - ***PASSED***
- HB 107 clarifies that a referendum of district residents is required before an involuntary merger or dissolution of an independent special district. The bill also specifies that in the event of a merger, the surviving local government entity assumes all of the assets and liabilities of the merged special district.

- The bill also includes language to streamline the process for voluntary mergers or consolidations of special districts and creates a citizen petition process to initiate merger proceedings.

Status: HB 107 passed the Legislature and was signed into law by the Governor. Chapter 212-16. LOF.

- SB 692 (Bennett) - ***PASSED***

This bill amends the Formation of Municipalities Act, Chapter 165, F.S., to require an earlier submission of a proposed municipality incorporation feasibility study.

- The bill also provides a procedure for the municipal conversion of an independent special district upon an elector-initiated and approved referendum.

- Conversion process may be commenced by petition of qualified electors if the special district meets the following criteria:
- was created by special act;
- is designated as a Chapter 298, F.S. district, improvement district or a stewardship district;

- has an elected governing board;
- provides at least four of the following municipal services: water, sewer, solid waste, drainage, roads, transportation, public works, fire and rescue, street lighting, parks and recreation, or library or cultural facilities; and

- no portion of the district is located within a municipality.

Status: SB 692 passed the Legislature and was signed by the Governor. Chapter 212-121 LOF.

2. PUBLIC CONTRACTING AND CONSTRUCTION

- Economic Development - *PASSED*
HB 7087
- HB 7087 is an omnibus economic development bill that includes a doubling of the corporate tax exemption to \$50,000, expanding the manufacturing exemption for purchases of machinery and equipment and incentives for the television and film industry.

- Also included in the bill is a requirement that certain governmental entities, including special districts, give a preference to in-state vendors for printing services. If the lowest responsive bid for a printing contract is submitted by an out-of-state vendor, the governmental entity must give a 5% preference to the responsive in-state vendors.

- Similarly, for the competitive procurement of other goods, if the lowest responsive bidder is an out-of-state vendor and the vendor's home state grants a preference to in-state vendors, the governmental entity shall give the in-state vendors a preference equal to the other state's preference. If the out-of-state vendor's home state does not grant a preference to in-state vendors, the governmental entity shall grant a 5% preference to responsive in-state vendors.

Status: HB 7087 was passed by the Legislature and signed by the Governor. Chapter 2012-32, LOF.

SB 1186 (Hays)/HB 825 (McBurney) - ***DIED***

- These bills repeal a current exemption from a statutory provision requiring local governments to competitively bid public construction projects of more than \$300,000 found in Section 255.20. The current exemption provides that if the local government conducts a public meeting and finds by a majority vote of the governing board that it is in the public's best interest to perform the project using its own services, employees and equipment.

Status: These bills died in committee.

3. PUBLIC MEETINGS

- SB 206 (Negron)/HB 355 (Kiar) – **DIED**
- These bills establish a right to members of the public to be given a reasonable opportunity to be heard on items of significant interest to the public. The bills specify reasonable restrictions that the public entity may place on the public's right to be heard.

Status: SB 206 passed the Senate but HB 355 died in the House.

4. LEE COUNTY MOSQUITO CONTROL DISTRICT

- HB 1395 (Kreegel) – ***DIED***
- This local bill abolishes the Lee County Mosquito Control District, the largest mosquito control district in the state, and transfers all of its assets and liabilities to Lee County. The bill would not have become effective unless approved by a majority vote of the residents of Lee County.

Status: This bill died in committee.