



Reply To: Tallahassee

TO: Florida Mosquito Control Association

FROM: Chris Lyon

DATE: October 21, 2011

SUBJECT: 2011 Legislative Session Summary

The Florida Legislature concluded the 2011 Legislative Session by approving a frugal \$69.7 budget, closing a \$3.8 billion revenue gap. Highlights (or lowlights) of the budget include a required 3% pension contribution from public employees, the loss of approximately 4,000 state jobs, corporate tax cuts (though much smaller than what Governor Rick Scott wanted), a \$1.3 billion reduction in public school funding, a 12% reduction in Medicaid support for public hospitals and a 6.5% funding cut to nursing homes. The budget was described by Senate budget chief Senator J.D. Alexander as “one of the most difficult budgets in the history of Florida.

The Republican-dominated Legislature passed legislation tying teacher pay to student performance, prohibiting doctors from asking patients whether they own guns, requiring women seeking an abortion to obtain an ultrasound, reforming Medicaid and further regulating pill mills. The Legislature also overhauled growth management laws, relaxed environmental permitting laws and dissolved the Department of Community Affairs. Notable legislation that did not pass included splitting the Florida Supreme Court into two divisions, Arizona-styled immigration reform, and elimination of paycheck deduction for union dues.

Following is a report on the major legislative issues we are supporting, opposing or monitoring for the Florida Mosquito Control Association.

1. Budget

During the 2011 Session, the Legislature had to address a \$3.8 billion revenue shortfall. Each agency was required to present a proposal of how to reduce its budget by 15%. To reach its

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budget reduction goal set by the Legislature, DACS proposed to cut funding to local mosquito control programs by \$866,632, more than 40% of the previous year's funding.

FMCA opposed the funding cut and worked with key legislators to try and avoid the reduction. However, in the waning hours of Session the Legislature made the decision to accept DACS proposal and reduce funding to the Florida Mosquito Control Program to \$1.29 million. The Legislature left research funding intact at a level of \$250,000.

2. PHEREC Laboratory

Due to the budgetary constraints, Florida A&M University proposed to close the John A. Mulrennan, Sr. Public Health Entomology Research & Education Center (PHEREC) in Panama City, Florida effective July 1, 2011. Panhandle legislators were successful in securing \$500,000 in the budget to keep the lab afloat in a limited capacity. However, Governor Scott vetoed the appropriation.

3. Involuntary Merger/Dissolution of Special Districts
SB 1120 (Norman)/HB 713 (Pafford)

These bills clarified that a referendum of district residents is required before an involuntary merger or dissolution of an independent special district. The legislation also provided that in the event of a merger, a referendum of residents of the surviving local government entity shall be required. The bill also specified that in the event of a merger, the surviving local government entity assumes all of the assets and liabilities of the merged special district. Finally, in the event an independent special district is dissolved, the legislation specified that the county or city in which the district is located shall assume all assets and liabilities of the district.

The bills were amended to include language streamlining the process for voluntary mergers or consolidations of special districts. This language came as a result of a Senate Community Affairs Interim Project.

Status: HB 713 passed all of its committee references and was placed on the calendar for consideration by the full House, however, it was never brought up for consideration. SB 1120 did not receive a hearing in its final committee and, therefore, died in committee. There was some indication that the bill was not moved forward in the Senate because of conflicts with future plans to undertake a more widespread review of special districts.

4. House Finance and Taxation Committee Special Districts Project

During committee weeks before Session, the Chairman of the House Finance and Taxation Committee, Rep. Stephen Precourt (R-Orlando), stated that he intended to have his staff study "the proliferation of independent special taxing districts." At subsequent meetings, the Committee heard several presentations on special districts, including a presentation from FASD. We also met with Chairman Precourt to discuss the study, who identified a particular interest in hospital districts.

Subsequently, Governor Scott issued an executive order creating the Commission on Review of Taxpayer Funded Hospital Districts. The Commission will consider “whether government-run hospitals are in the best interest of taxpayers and recommend a cost-effective and efficient model for providing Florida with a health care safety net.” No further action was taken by the House Finance and Taxation Committee.

5. Property Tax Reform

TABOR/SmartCap
SB 958 (Finance and Tax)

B 958 proposes a constitutional amendment to place a limitation on state government revenues. The limitation will be based on population growth and inflation and will be phased in over several years. Any revenues collected in excess of the cap will be deposited into the State’s Budget Stabilization Fund and then to reduce school property taxes. The bills allow the Legislature to exceed the limitation with a supermajority vote.

Status: SB 958 passed the Legislature and will be placed on the 2012 general election ballot.

Property Assessment
HJR 381 (Dorworth)

HJR 381 proposes a constitutional amendment with several measures relating to the assessment of real property. As originally draft, it proposed to reduce the annual growth in assessment limitation on non-homestead property from 10% to 3%, just like homestead property. However, it was amended late in Session to increase the annual growth limitation from 3% to 5%. HJR 381 would also prohibit increases in the assessed value of homestead and non-homestead property in any year where the market value of the property decreases (“recapture”). Finally, the bill allows individuals that are entitled to a homestead exemption who have not received an exemption in the previous 3 years to receive an additional homestead exemption equal to 50% of the just value of the property but not more than \$200,000. The additional exemption does not apply to school taxes and is reduced by 20% each year until it reaches zero. If passed, the constitutional amendment will be placed on either the 2012 presidential primary or general election ballot.

Status: HJR 381 passed the Legislature and will be placed on the 2012 general election ballot.

6. Local Government Accountability
SB 224 (Dean)

These bills make numerous changes to the budget process and other laws relating to cities, counties, special districts and other governmental entities. The bills revise provisions relating to the preparation or amendment of district budgets, specify the level of detail for each

fund in the budget, and require budgets to be posted on the district's website (if the district does not have a website, the budget is to be posted on the website of the city or county where the district is located). The bills revise the schedule for submitting a local governmental entity's audit and annual financial reports to the Department of Financial Services. The bills also revise the timeframe for completing a local governmental entity's annual financial audit to be filed with the Auditor General.

Status: SB 224 passed the Legislature and was signed into law by the Governor.

7. Prohibition on Severance Pay for Non-Elected Public Officers
SB 88 (Gaetz)

As originally drafted, SB 88 prohibited severance payments to non-elected public officers except in certain situations. In its final iteration, SB 88 provides that after July 1, 2011, severance pay for contracted public officers is limited to 20 weeks and is prohibited for public officers fired for misconduct. For non-contracted public officers, severance pay is limited to 6 weeks. It also provides that any ordinance or resolution to award a bonus must based the bonus on work performance, describe the performance standards and evaluation process, notify all employees of the bonus and criteria before the evaluation period begins and consider all employees for the bonus.

Status: SB 88 passed the Legislature and was signed into law by the Governor.

8. Water Management Districts
SB 2142 (Budget)

SB 2142 requires the Legislature to annually review the preliminary budget for each of the five water management districts and set the maximum amount of revenue a district may raise through its ad valorem tax. The bill provides that, if the annual maximum amount of property tax revenue is not set by the Legislature on or before July 1 of each year, the maximum property tax revenue that may be raised reverts to the amount authorized in the prior year. It requires each water management district to provide a monthly financial statement to its governing board and make such information available to the public through the district's website. Finally, SB 2142 revises provisions relating to the review of district budgets to allow the Executive Office of the Governor and the Legislative Budget Commission to disapprove, in whole or in part, the budget of each water management district.

Status: SB 2142 passed the Legislature and was signed into law by the Governor.

Bills that Died

Numeric Nutrient Criteria
HB 239 (T. Williams)/SB 1490 (Evers)/SB 1090 (Dean)

In response to the EPA's regulatory actions related to numeric nutrient criteria, these bills prohibited the implementation of the federal numeric nutrient criteria rules by DEP, water

management districts and local governments. They also directed DEP to adopt its own numeric water quality criteria for surface waters.

Public Notice by Government Entities
HB 89 (Workman)/SB 914 (Bennett)

These bills permit a local government to use its website for legally required notices and advertisements under certain specified conditions.

Procurement of Architectural, Engineering and Other Professional Services
HB 135 (Costello)/SB 276 (Bennett)

These bills allowed compensation to be a considering factor during the competitive selection process for architectural, engineering and other professional services by a governmental agency or school board. They also authorized the agency or board to reopen negotiations with a selected firm following termination of negotiations with other firms.