



FPF Legislative Session Report

January 16-20, 2012



Submitted by: Jim Tolley, FPF Governmental Relations Director

As the second week of the Session comes to an end, it would be beneficial to have several legislators join us in the Polar Plunge to cool them off just a little. Despite a disagreement between House and Senate, the reapportionment battle continues to require a lot of time. It would appear the goal remains to pass the maps early in the session since it is expected they will draw legal challenges. There are certainly people that believe and truly desire that to happen, as that may be the only way to truly get fair districts.

The House and Senate still have differences with the budget, but continue to work toward consensus. One very contentious issue that is associated with the budget was taken up by the Senate Rules Committee concerning **Proposed Committee Bills 7170** and **7172**. The Committee agreed to introduce over the objection of Senators Smith and Margolis. They are now **SB 2036** and **SB 2038** and are on the fast track, as both bills will be heard next week. One authorizes the privatization of prisons from Manatee County all the way down to Monroe County. Lawmakers ordered the privatization of these prisons last year, but the unions representing correctional officers sued to block it. The case is currently on appeal. The other opens the door to any outsourcing through proviso language, which is what Judge Jackie Fulford ruled against. These public safety and essential service issues should be handled through the legislative process, and not put into the budget with an up or down vote.

The development of a showdown between insurance companies and doctors is starting that would limit what primary care doctors can charge patients when dispensing medication for work related injuries. We are watching all these bills and any amendments extremely close.

Another new bill has been filed this week, **HB 1499** (Brandes) – Relating to Actuarial Soundness of Retirement Systems. Referred to Government Operations Subcommittee, Finance & Tax Committee, and State Affairs Committee.

HB 107 (Caldwell) – Relating to Special Districts. **Favorable as amended by Finance and Tax Committee; 22 Yeas, 0 Nays**

SB 698 (Wise) and **HB 819** (Taylor) – Relating to Public Retirement Plans, are being discussed by the Revenue Estimating Impact Conference as this report is being written. **No Votes Will Be Taken.**

HB 577 (Young) – Relating to City Pension Fund for Firefighters and Police Officers in the City of Tampa, Hillsborough County. **Favorable by Community and Military Affairs Subcommittee; 15 Yeas, 0 Nays.** Now in State Affairs Committee.

HB 93 (Harrison) – Relating to Homestead Property Tax Exemption for Surviving Spouse of Military Veteran or First Responder. **Favorable by Finance and Tax Committee; 23 Yeas, 0 Nays.**

HB 95 (Harrison) – Relating to Homestead Property Tax Exemptions. **Favorable by Finance and Tax Committee; 24 Yeas, 0 Nays.**

HB 629 (Hooper) – Relating to Public Records/Agency Personnel Information/Dates of Birth. **Favorable by State Affairs Committee; 15 Yeas, 0 Nays.** Placed on Calendar, on 2nd reading.

SB 668 (Hays) – Relating to Workers' Compensation Medical Services. **Favorable with 1 amendment by Banking and Insurance; 7 Yeas, 4 Nays.**

The Governor has directed the Office of Policy and Budget to conduct a deliberate and thorough examination of special districts in the State of Florida, and make recommendations on the role of special districts in the State, with special focus on increasing efficiency, fiscal accountability, and the transparency of operations to the public. (See attached)

Please familiarize yourself with our Priority Issues on the FPF website by checking the Legislative Issues (on the left side of the home page) regularly.

I would like to thank President Rainey, Vice President Suarez, Secretary/Treasurer Marsh, 3rd DVP McCrystal, and 8th DVP Poirrier for all their help lobbying this week.

STATE OF FLORIDA

OFFICE OF THE GOVERNOR

Executive Order Number 12-10

(Review of Special Districts)

WHEREAS, the Governor is committed to ensuring that all units of government are run in an efficient, transparent, and fiscally accountable manner in order to make certain that taxpayer dollars are being expended cost-effectively; and

WHEREAS, special districts are local units of special purpose government, within limited geographical areas, which are utilized to manage, own, operate, construct, maintain, and finance basic capital infrastructure, facilities, and services; and

WHEREAS, according to the Official List of Special Districts maintained by the Florida Department of Economic Opportunity, there are a total of 1,634 special districts, of which 16 are inactive; and

WHEREAS, of the total number of special districts in Florida, 1,006 are independent special districts and 628 are dependent special districts; and

WHEREAS, special districts have a substantial impact on the lives of every Florida citizen as every parcel of land in Florida is covered by at least one special district; and

WHEREAS, active special districts reported \$15.5 billion in revenues during the 2009 fiscal year and therefore such districts have a significant impact on the Florida economy; and

WHEREAS, special districts have the statutory authority to raise revenue through vehicles such as the issuance of bonds and the levy and collection of ad valorem and non-ad valorem taxes, fees, and assessments; and

WHEREAS, special districts are statutorily subject to limited state oversight through requirements to submit information such as annual budgets, annual financial reports, and special facilities reports to various state agencies; and

WHEREAS, the Governor has been made aware that some special districts have been delinquent in submitting the required information to state agencies, and thus are circumventing state oversight of their activities and preventing the transparency of their operations to the public; and

WHEREAS, due to the immense impact that special districts have on Florida citizens and on the Florida economy, the Governor believes that special districts should operate in a transparent manner and be fiscally accountable in order to safeguard the public interest; and

WHEREAS, as a result of the foregoing, the Governor has determined that it is appropriate and necessary to conduct a deliberate and thorough review of all special districts in the State of Florida in order to determine whether such districts are: serving a legitimate public purpose; governed efficiently; levying taxes, fees, and assessments appropriately; being held accountable to the taxpayers whose lives they directly impact; operating in a transparent manner; and prudently spending taxpayer dollars.

NOW, THEREFORE, I, RICK SCOTT, Governor of the State of Florida, by the powers vested in me by the Constitution and the laws of the State of Florida, do hereby issue the following Executive Order, effective immediately:

Section 1. I hereby direct the Office of Policy and Budget in the Executive Office of the Governor to conduct a deliberate and thorough examination of special districts in the State of 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 Office of Policy and Budget will:

- A. Examine 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.
- B. Examine the governance structure of each special district, including the method of appointment and tenure of the governing members.
- C. Examine the functions and activities of each special district to determine if a special district is the most efficient and appropriate method of governance.
- D. Examine the annual budgets of each special district in order to determine the appropriateness of the budgeted expenditures.
- E. Examine the special districts' levy of ad valorem and non-ad valorem taxes, fees, and assessments to determine if they are at an appropriate level.
- F. Examine 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.
- G. Examine the required disclosures for properties within the jurisdiction of a special district to taxpayers who purchase property within such special district.
- H. Examine whether there is a periodic procedure for evaluating the continued need, ongoing accountability, and efficacy of each special district.
- I. Examine 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.

Section 2. The Office of Policy and Budget shall submit to the Governor detailed reports setting forth its findings and recommendations, including any recommendations for legislative action. Each report shall detail which districts have been reviewed and the total number of remaining districts to be reviewed. At the completion of the Office of Policy and Budget's review of all special districts, the Office shall submit a final, comprehensive report detailing its findings and its recommendations as to how to improve special districts' efficiency, fiscal accountability, and transparency of operations.

IN TESTIMONY WHEREOF, I have hereunto set my hand and have caused the Great Seal of the State of Florida to be affixed at Tallahassee, this 11th day of January, 2012.



GOVERNOR

ATTEST:

SECRETARY OF STATE

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DEPARTMENT OF STATE
TALLAHASSEE, FLORIDA