



## DAILY LEGISLATIVE BRIEF FROM APRIL 23, 2008

Wednesday was a relatively short day at the Capitol with both the House and Senate sessions finishing by 5:00 pm. The House passed out a number of property taxation bills, many which are significant improvements to Florida's current tax structure. The passage of these bills is in line with the House's pledge to continue to pass legislation dealing with the property tax crisis in Florida. The fate of these bills in the Senate is a whole different story. Senate leadership has not shown much interest in any further property tax reform. Bills dealing with reforming Value Adjustment Boards or VABs (a priority for AIF this session) may be the only ones that pass this session.

The Taxation and Budget Reform Commission (TBRC) will once again be meeting this Thursday and Friday in Tallahassee as they attempt to finish out their work for the year. The Commission will be focusing its efforts on final passage of Commissioner John McKay's CP 002 also known as the "tax swap" proposal. We are hearing that several amendments to this proposal (opposed by the business community) will be filed. We will keep you up to date on all the latest developments regarding this and other constitutional proposal being considered by the TBRC.

Also, legislation dealing with cooper and other metal theft (HB 105) is on its way to the Governor's desk after the measure passed the Senate this morning. This bill was been a priority for AIF and other members of the business community – who have experienced the costly repercussions of metal theft.

And finally, AIF's *Florida Maritime Council* has actively been lobbying against legislation (HB 7119) that would increase the costs associated with security screenings for port employees. AIF's lobby team is advancing an alternate solution that would allow for Florida's 14 deep water ports to use one security credential and follow federal security standards in order for our ports to better compete with neighboring states that use the federal standard.

### Taxation

Today, the House of Representatives passed three taxation bills important to AIF this session.

HB 1283 Relating to Ad Valorem Tax Assessment Value Challenges by Representative Dean Cannon (R-Winter Park) passed on a 114-1 vote. The bill requires the property appraiser to earn the presumption of correctness by showing that his or her assessment was arrived at by complying with the law and professionally accepted appraisal practices. Once the appraisal is completed, the taxpayer has to show, by a preponderance of the evidence, that the assessment of value exceeds just value.

After Representative Cannon explained the bill, Representative Curtis Richardson (D-Tallahassee) asked if the bill could overturn any cases in the past that relied upon the "any reasonable hypothesis" standard. Representative Cannon said not before 1997, when the law was passed to eliminate the "any reasonable hypothesis" standard.

In debate, Representative Richardson argued that he had done a lot of research on this issue and has concluded that there is no reason to make any changes to the presumption of correctness being given to the property appraiser. He further stated that this bill could impact small counties where large corporations may challenge their assessments by making it harder for the property appraiser to make their case.

He also argued that this bill will not impact homestead property because of the 3 percent cap established by the "Save Our Homes" Constitutional Amendment.

Representative Jim Frishe (R-Belleair Bluffs) said he had some anecdotal evidence to support this bill. He told the story of a small motel owner whose property tax increased dramatically and with the current system she could not prevail because of the presumption of correctness being with the property appraiser.

Representative Cannon argued simply by saying that if a private company was routinely charging people 5 percent too much; we would be all over them. Yet, no one complains when government over taxes property owners. "This bill just gives citizens a fair shot at getting their property's assessed value lowered," stated Cannon.

The only no vote on the bill was Representative Curtis Richardson. HB 1283 will no go to the Senate where it faces an uphill battle; since its companion bill, SB 678 by Senator Mike Fasano (R-New Port Richey), has never even been heard in a committee meeting.

**AIF supports this legislation because it makes the process of challenging the value of ones property as determined by the property appraiser fairer for the taxpayer. The issue of presumption of correctness for the property appraiser has allowed over assessed property to become too prevalent in Florida.**

HJR 949 Relating to Maximum Ad Valorem Tax Limitation; Voter-Approved Exception by Representative Carlos Lopez-Cantera (R-Miami) passed on a 79-38 vote. Representative Lopez-Cantera explained the bill in one sentence – “it is a limit of 1.35 percent on taxable value for your property tax.”

The resolution had questions and was debated for over an hour. Representative Dan Gelber (D-Miami Beach) started it off with the question on how the resolution would impact cities and counties if we held education harmless. Many other members also asked questions and participated in debate. The general issue that concerned members was unintended consequences and how they would impact local governments and small counties that had much lower values, resulting in higher millage rates. The impact would be much different for local governments in North Florida versus those in South Florida. Representative Ron Saunders (D-Tavernier) made this very clear when he said this resolution would have no effect on his district because the values are so high that the millage rates can be much lower than 1.35 percent. However; in some counties, the millage rates must be higher because the values are so low.

Members who debated the bill in opposition were Representatives Dan Gelber, Joe Gibbons (D-Pembroke Park), Matt Meadows (D-Lauderhill), Jim Waldman (D-Coconut Creek), Curtis Richardson, Ron Saunders, and Jack Seiler (D-Pompano Beach). Those who debated in support were Representatives Paige Kreegel (R-Punta Gorda), Seth McKeel (R-Jacksonville), Doug Holder (R-Sarasota) and Nick Thompson (R-Fort Myers).

HB 949 is now ready for consideration on the floor of the Senate. HB 949’s Senate Companion, SB 2190 by Senator Michael Bennett (R-Bradenton), still has a number of committees stops.

**AIF has not taken an official position on this proposal. Although the property tax savings would be significant for employers, the unintended consequences on local government must be considered.**

HJR 7005 Relating to Taxpayers' Bill of Rights by Representative Frank Attkisson (R-Kissimmee) passed on an 86-29 vote. The bill amends the state Constitution to remove the government’s presumption of correctness and places the burden of proof, by a preponderance of the evidence, upon the government to prove that the assessment does not exceed just value. It also provides that the taxpayer is entitled to reasonable attorney’s fees to be specified in general law.

There were no questions or debate on the bill. HJR 7005 is now ready for consideration on the Senate floor.

**AIF supports this resolution because it gives our members a much fairer chance at prevailing in a challenge of the property appraiser’s assessment of their property, both real and tangible personal.**

## **Infrastructure**

The Senate unanimously passed (38-0) SB 542 Relating to Florida Forever by Senator Burt Saunders (R-Naples). AIF has been working with the *Florida Coalition for Responsible Preservation of Public Land* (FRPPL) on a successor program for Florida Forever. Since the beginning of Florida Forever, the state has purchased more than 600,000 acres of environmentally sensitive land. The FRPPL supports the continuation of this land acquisition program, but would like more access to these state owned public lands for recreational water usage, alternative water supply programs, and relocation of imperiled species. The FRPPL would like to see better management practices implemented on these state owned public lands as well.

The bill re-institutes the Florida Forever program and enhances the current program to prioritize public water access, alternative water supplies, imperiled species mitigation, and performance standards for land management. The bill was also amended today to include some important working waterfront provisions that will ensure that these culturally sensitive lands are also protected using the Florida Forever model.

SB 542 was immediately certified and sent to the House for consideration.

**AIF and the *Florida Coalition for Responsible Preservation of Public Land* support the implementation of a successor program for Florida Forever that includes additional uses of public lands such as alternative water supply programs, expanding the use of mitigation programs for imperiled species, allowing for utility infrastructure access to public lands, and emphasizing public access to water for outdoor recreational opportunities.**

## Business Regulation

The Senate passed HB 105 Relating to Secondary Metals Recyclers by Representative Baxter Troutman (R-Winter Haven) by a 37 to 1 margin after substituting this bill for its Senate companion, SB 556 by Senators Lee Constantine (R-Altamonte Springs) and Victor Crist (R-Tampa). The *Floridians for Copper and Metal Crime Prevention Coalition* and Associated Industries of Florida applaud the work of the Florida Legislature in passing crucial legislation to help curb metal theft activity, a crime that has seen a dramatic rise in recent years. This legislation will act to deter thieves from bringing stolen items to a legitimate secondary metal dealer by requiring these metal dealers to keep records from who they acquire metal. In addition, any unscrupulous metal dealers who do not provide the required information for a sale and who receive stolen property can be charged with a third-degree felony.

Due to the increasing worldwide demand for metals, metal theft is on the rise and can jeopardize the safety of individuals who are affected by the theft, as well as wreaking havoc on communities by causing power outages and surges. We are grateful for the hard work and commitment of Representative Troutman, Senator Constantine and Senator Crist; the Coalition is confident this legislation will protect the safety of all Floridians.

HB 105 will now be sent to the Governor for his signature.

**AIF and the *Floridians for Copper and Metal Crime Prevention Coalition* support this legislation to help law enforcement find these thieves and make it harder for them to unload their stolen goods. Metal thieves may get a few hundred dollars for the metal they steal, but a business may have to spend 100 times that amount to repair the damage.**

## Transportation

The House unanimously passed HB 1245 Relating to Regional Transportation Authorities by Representative Bill Galvano (R-Bradenton). This bill would greatly benefit the state's regional transportation authorities because it would allow authorities in Northwest Florida, South Florida and the Tampa Bay area to receive 80 percent of the existing rental car surcharge dollars collected in the counties they represent.

The bill would also provide funds to support a regional approach to building needed transportation projects, which could include the more effective attraction of federal matching dollars for certain projects and consideration of public-private partnerships to build regionally significant toll facilities.

HB 1245 will now be sent to the Senate for consideration.

**AIF supports the ability of multi-county areas in Florida to form regional transportation authorities, empowered to implement infrastructure improvements and increase consideration for vital transportation corridors, seaports, airports, and other regionally significant business centers.**

## Environment

The House Environment & Natural Resources Council held a meeting to discuss HB 301 Relating to Recycling by Representative Janet Long (D-St. Petersburg). This bill would require state agencies and airports to recycle. It also requires any business, association or organization that receives state funding to recycle to the greatest extent practicable aluminum beverage cans, recyclable plastic and glass at all locations where the business, association or organization operates or does business. AIF supports recycling but has repeatedly asked for language to be included in the bill that say to recycle to the greatest extent practicable and *economically feasible*. It does not make sense for a small business or not-for-profit business, association or organization to spend more money trying to recycle than what they may receive at a recycling center.

There was a proposed committee substitute (PCS) offered which would have substantially amended the bill, but it was not considered during the Council meeting. The PCS was filed late in the afternoon and many members complained that they did not have time to review. Therefore, Chairman Stan Mayfield (R-Vero Beach) asked for the members to be patient as the staff director distributed a new version for them to consider. The language in the amendment was the text of SB 692 by Senator Dennis Jones (R-Seminole). It did not contain the "economically feasible" language AIF asked for, but Representative Baxter Troutman (R-Winter Haven) and Representative Denise Grimsley (R-Sebring) were prepared to offer an amendment to add the words we need to make the bill acceptable.

The bill has been placed on the Special Order Calendar for Friday, April 25<sup>th</sup>. Chairman Mayfield has agreed to take our language, but we are still battling the bad language being proposed by Senator Alexander.

**AIF continues to oppose this bill until we see the final proposed amendment. We thank Chairman Mayfield for his willingness to work with us to resolve this issue.**