

LEGISLATIVE COMMITTEE

**Friday, December 6, 2024
11:00 a.m. – 11:30 a.m. ET**

**Orange Ballroom D
Hilton Orlando
6001 Destination Parkway
Orlando, FL 32819**

FLC Staff Contact: Casey Cook and Mary Edenfield



Legislative Committee
Friday, December 6, 2024, 11:00 a.m. - 11:30 a.m. ET
Hilton Orlando – Meeting Room: Orange Ballroom D
6001 Destination Parkway, Orlando, FL 32819

AGENDA

Presiding:

Chair: Holly D. Smith, FLC First Vice President and Councilmember, City of Sanibel

Vice Chair: Mark Franks, FLC Second Vice President and Mayor, Town of Shalimar

- I.** Call to Order
- II.** Review of Process
- III.** Reports of Policy Committee Chairs
 - A. Development, Code Compliance, and Redevelopment Committee
 - B. Finance and Taxation Committee
 - C. Intergovernmental Relations, Mobility, and Emergency Management Committee
 - D. Municipal Operations Committee
 - E. Utilities, Natural Resources, and Public Works Committee
- IV.** Adoption of Legislative Platform
- V.** Other Business
- VI.** Adjourn to Business Session

WiFi is Available
Network: FLCLC2024
Access Code: FLCLC2024

2024 LEGISLATIVE COMMITTEE

Chair: Holly D. Smith, Councilmember, City of Sanibel
First Vice President, Florida League of Cities

Vice Chair: Mark Franks, Mayor, Town of Shalimar
Second Vice President, Florida League of Cities

Local and Regional League Representatives

Louie Davis, Mayor, City of Waldo
Representative, Alachua County League of Cities

Brian Grainger, Commissioner, City of Panama City
Vice President, Bay County League of Cities

Felicia Brunson, Mayor, City of West Park
President, Broward League of Cities

Michael Holland, Mayor, City of Eustis
President, Lake County League of Cities

BJ Bishop, Commissioner, Town of Longboat Key
Vice President, ManaSota League of Cities

Karyn Cunningham, Mayor, Village of Palmetto Bay
President, Miami-Dade County League of Cities

Scott Black, Mayor, City of Dade City
Representative, Municipal Association of Pasco

Rufus Borom, Commissioner, City of Palatka
President, Northeast Florida League of Cities

Bernie Oder, Councilmember, City of Mary Esther
President, Northwest Florida League of Cities

Jean Hood, Mayor, Town of Cinco Bayou
President, Okaloosa County League of Cities

Chelsea Reed, Mayor, City of Palm Beach Gardens
President, Palm Beach County League of Cities

Rod Cannon, Mayor, Town of Zolfo Springs
President, Ridge League of Cities

John Gunter, Mayor, City of Cape Coral
Vice President, Southwest Florida League of Cities

Sarah Stoeckel, Vice Mayor, City of Titusville
Vice President, Space Coast League of Cities

Thomas Reid, Commissioner, City of South Pasadena
President, Suncoast League of Cities

Terry E. Bovaird, City Manager, City of Williston
Representative, Suwannee River League of Cities

Ed Dodd, Council Member, City of Sebastian
President, Treasure Coast Regional League of Cities

Pat Bates, Mayor, City of Altamonte Springs
Representative, Tri-County League of Cities

Lois Paritsky, Mayor, Town of Ponce Inlet
President, Volusia League of Cities

FLC Committee Representatives

Dorothea Taylor Bogert, Mayor, City of Auburndale
Chair, Development, Redevelopment, and Code Compliance Committee

Robert Stuart, Commissioner, City of Orlando
Chair, Finance and Taxation Committee

Curtis Johnson, Commissioner, City of Fort Pierce
Chair, Intergovernmental Relations, Mobility, and Emergency Management Committee

Sandy Golding, Councilwoman, City of Jacksonville Beach
Chair, Municipal Administration Committee

Teresa Watkins Brown, Councilwoman, City of Fort Myers
Chair, Utilities, Natural Resources, and Public Works Committee

Shaun Ferguson, Councilman, City of Rockledge
Chair, Advocacy Committee

Greg Langowski, Vice Mayor, City of Westlake
Chair, Federal Action Strike Team

Municipal Staff Association Representatives

Patricia J. Burke, MPA, MMC, RLO, Town Clerk-Manager, Town of Palm Shores
President, Florida Association of City Clerks

Olivia Minshew, City Manager, City of Wauchula
Representative, Florida City and County Management Association

Darrel Donatto, Fire Chief, Town of Jupiter
Representative, Florida Fire Chiefs' Association

Kelly Strickland, Finance Director, City of Sarasota
Secretary/Treasurer, Florida Government Finance Officers Association

Keith W. Davis, Esquire, Davis & Associates, P.A.
President, Florida Municipal Attorneys Association

Steve Parker, Chief of Police, City of Davenport
Representative, Florida Police Chiefs Association

FLC-Sponsored Program Representatives

Scott Black, Mayor, City of Dade City
Chair, Florida Municipal Insurance Trust

Isaac Salver, Vice Mayor, Town of Bay Harbor Islands
Chair, Florida Municipal Loan Council

Joseph Barkley III, Commissioner, City of Belleair Bluffs
Chair, Florida Municipal Pension Trust

Steve Graber, Vice Mayor, City of Oldsmar
Chair, Florida Municipal Investment Trust

At Large Members

Jolien Caraballo, Vice Mayor, City of Port St. Lucie
Joe Elliott, Commissioner, City of Wildwood
Denise Horland, Councilmember, City of Plantation
Joe Kyles, Sr., Mayor, City of South Bay
Nancy Miller, Mayor, City of Daytona Beach Shores
Fortuna Smukler, Commissioner, City of North Miami Beach

PROCEDURES FOR ADOPTING THE FLC LEGISLATIVE PLATFORM

LEGISLATIVE COMMITTEE PROCEDURE:

The Legislative Committee is charged with reviewing the work of the five legislative policy committees. The League's 1st Vice President will preside over the meeting and the following procedure will be used to review and adopt the Legislative Platform:

- Each policy committee chair will be asked to present their committee's priority to the Legislative Committee.
- Each policy committee chair may also submit for approval by the Legislative Committee one policy position on another issue of importance to the policy committee.
- After each legislative policy committee report, the chair will accept questions from the Legislative Committee and/or the audience.
- Following a question and answer period, the chair will accept, if needed, a motion to limit debate.
- The chair will then accept a motion to adopt (with a second and discussion) the policy committee's report (as amended). This procedure will be repeated for each policy committee presentation.

The Legislative Committee Chair shall report the actions of the committee during the business session. The proposed Legislative Platform, as adopted by the Legislative Committee, will be posted on the FLC website and projected on a large screen in the meeting room. As was the procedure during the Legislative Committee, the audience will be provided an opportunity to ask questions.

BUSINESS SESSION PROCEDURES:

- The President will preside over the Business Session and shall call on the Chair of the Legislative Committee to present the proposed Legislative Platform as recommended by the Legislative Committee.
- The Legislative Committee Chair will present each policy committee priority statement and move for its adoption.

- The President will call for a second and an opportunity for discussion by the membership of the proposed priority statement. Following this, a consensus voice vote will be taken. This procedure will be used for each priority statement.
- If the consensus vote is challenged, the President will call for a short recess and the League staff will prepare for a recorded voting procedure. (**see attached**)
- After all amended sections have been considered and adopted, the President will call for adoption of Legislative Platform by the membership present.

APPENDIX - PROCEDURE FOR DIVIDED HOUSE

EXPLANATION:

During the Business Session of the Legislative Conference (following the meeting of the Legislative Committee), the League President will ask the membership present to adopt the Legislative Platform. This action does not require the appointment of voting delegates (as does the annual convention's business session), but it does create the possibility of a divided house, meaning that a voice vote did not determine a clear "will" of the membership present. This has not happened in recent League history, but it does need to be planned for in advance.

PROCEDURE:

- Upon the President's determination of a divided house (being that a voice vote did not indicate sufficient support for adoption of the Legislative Platform), the President will call for a brief (15 min.) recess so city officials may confer with others from their own councils. Some cities will have only one person present; some may not be represented at all.
- The cities will be directed to select a representative from their council and take a position amongst them on the adoption of the Legislative Platform. If a city wishes to record its divided vote, it may do so. If a city cannot come to agreement on selecting a representative or taking a position, the League will not record their position.
- The President would then call the Business Session back into session and ask that, by voice vote, the city representatives indicate their votes. If the vote is still divided, the city representatives would then come to a table staffed by League staff and record their vote. Only if it were necessary (in the case of a tie) would a weighted vote be taken.
- If the President determines there is dissension among the city officials in regards to a particular section of the Legislative Platform, he shall call upon the Chair of the appropriate policy committee to take questions and help guide the discussion.

Again, this process is provided for explanation but it is not expected to occur.



2025 Proposed Priorities and Policy Positions

Development, Code Compliance, and Redevelopment Committee

- Priority: Affordable Housing
- Policy Position: Impact Fees

Finance and Taxation Committee

- Priority: Property Taxes
- Policy Position: Local Business Taxes

Intergovernmental Relations, Mobility, and Emergency Management Committee

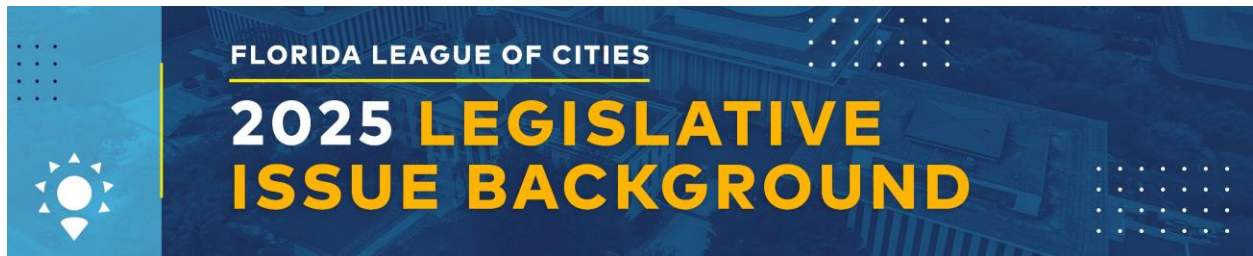
- Priority: Electric Vehicles
- Policy Position: Annexation

Municipal Operations Committee

- Priority: Sovereign Immunity
- Policy Position: Public Safety Recruitment and Retention

Utilities, Natural Resources, and Public Works Committee

- Priority: Enterprise Fund Transfers and Extraterritorial Surcharges
- Policy Position: One Water



Affordable Housing

Draft Priority Statement:

The Florida League of Cities SUPPORTS legislation that allows for a collaborative approach that balances the pressing needs for affordable and workforce housing while respecting the ability of local governments to effectively manage growth to ensure developments align with the character, capabilities and resources of each community.

Background:

Affordable housing remains a pressing issue in Florida, with cities facing increasing demand for housing alongside rising land and construction costs. This challenge is worsened by rapid population growth, putting significant strain on the housing market and local infrastructure. In many areas of the State, low- to moderate-income households struggle to find affordable, high-quality housing, which places the burden on city governments to address these needs. State legislators are likely to introduce additional affordable housing measures in the 2025 Legislative Session.

Recent Legislation: The Florida Live Local Act

In response to the growing crisis, the Florida Legislature passed the Live Local Act in 2023, aiming to tackle affordable housing through incentives and policy reforms. The law promotes affordable housing development by offering tax credits, expediting project approvals and requiring local governments to approve certain high-density developments in areas zoned for commercial, industrial or mixed-use purposes. It also limits the ability of local governments to impose development restrictions on projects that include affordable rental housing. This law has sparked concerns from cities over balancing growth with infrastructure capacity and the compatibility of these developments in certain areas.

In 2024, the Legislature revisited the Live Local Act, passing CS/CS/SB 328. This bill further refines land use regulations attempting to clarify density, floor area ratios and height entitlements for qualifying projects while reducing parking requirements for projects near transit hubs.

These legislative changes offer both opportunities and challenges for cities, which must balance growth, community concerns and infrastructure limitations.

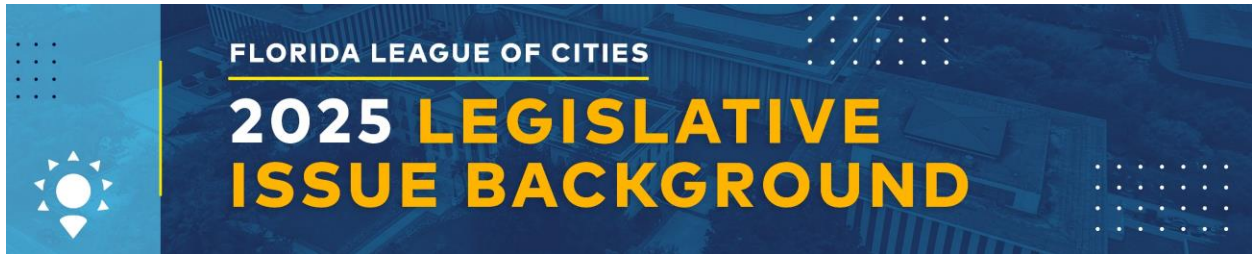
Additional amendments to the Live Local Act are likely during the 2025 Session. Likely areas of focus include:

- Application of the Act to planned unit developments (PUDs)
- Penalties for local governments that fail to comply with the Act
- Restrictions on the use of moratoriums by local governments to halt projects
- Clarifications of what qualifies as mixed-use zoning

National Trends in Affordable Housing Legislation

Nationally, there is a trend toward zoning reform aimed at increasing housing density and affordability. For example, in 2020, Minneapolis became the first major U.S. city to eliminate single-family zoning. This change allows for more diverse housing types, such as duplexes and triplexes, in areas previously restricted to single-family homes, thereby increasing housing supply. Cities like Portland, OR, and states like California have implemented similar reforms to reduce barriers to higher-density development.

These national trends could preview future legislative proposals in Florida, which underscores the ongoing tension between state-level initiatives and local control, a key issue for Florida cities navigating affordable housing challenges.



Impact Fees

Draft Policy Position Statement:

The Florida League of Cities SUPPORTS protecting municipal authority to set impact fees that safeguard existing taxpayers from incurring additional infrastructure costs.

Background:

Impact fees are charges imposed by local governments on new development projects to help fund the cost of infrastructure and services, such as roads, schools and parks, that support the growing population. In Florida, these fees are governed by state law and local ordinances, with a primary goal of ensuring that new developments pay for the additional public services they necessitate without overburdening existing residents.

Florida Impact Fee Act (Section 163.31801, Florida Statutes) outlines the requirements for imposing and administering impact fees. It requires that impact fees be:

- Based on a reasonable connection between the need for additional capital facilities and the new development
- Appropriately allocated so that new developments are paying their fair share
- Supported by data that demonstrates the need and amount of the fee

Requirements for the use of impact fees:

- Collected fees must be used for capital facilities that benefit the new development. They cannot be used for operational expenses or general government functions unrelated to the development.

In 2021, the Florida Legislature passed legislation limiting impact fee increases by local governments. This legislation was largely in reaction to cities that had not increased impact fees in over a decade requiring large increases to their fees to reflect actual costs.

HB 337 (2021) significantly curbed the ability of local governments to raise impact fees. Local governments are limited to raising impact fees by no more than:

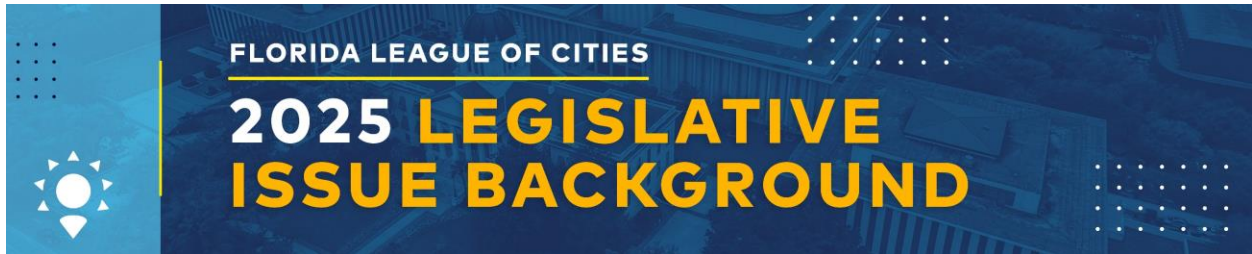
- 50% of the existing rate over a four-year period
- 25% in a two-year period

Increases beyond these thresholds must be supported by “**extraordinary circumstances**” and require at least two-thirds approval from the local governing body. HB 337 did not provide a detailed definition of what constitutes “extraordinary circumstances” for purposes of increasing impact fees beyond the prescribed limits.

Fee increases must be phased in over time. An increase of up to 25% can be implemented in one year, while a 50% increase must be phased in over four years.

Developments that had already received their building permits before the fee increase cannot be retroactively charged higher fees.

Proponents of these legislative changes claim these changes were enacted to promote predictability and fairness in development costs, which provide certainty to developers and businesses while ensuring that new developments still contribute to necessary infrastructure improvements. However, local governments argue that the caps may limit their ability to fully recover the costs associated with growth, which leads to potential funding shortfalls for critical public services.



Property Taxes

Draft Priority Statement:

The Florida League of Cities SUPPORTS the levy of property taxes by municipalities to provide critical services such as infrastructure, police, fire and emergency services. Further changes or exemptions to the property tax system and tangible personal property taxes would create inequities and unfairly shift the tax burden onto families, homeowners, renters, businesses and our most vulnerable population.

Background:

Florida property taxes, also known as ad valorem taxes, are property taxes that are based on the assessed value of real estate property. Municipalities heavily rely on property taxes. In most cases, property taxes make up the greatest share of revenues municipalities use to provide essential services like police, fire, parks, libraries and more. Reduction of property tax revenues jeopardizes a municipality's ability to provide essential services.

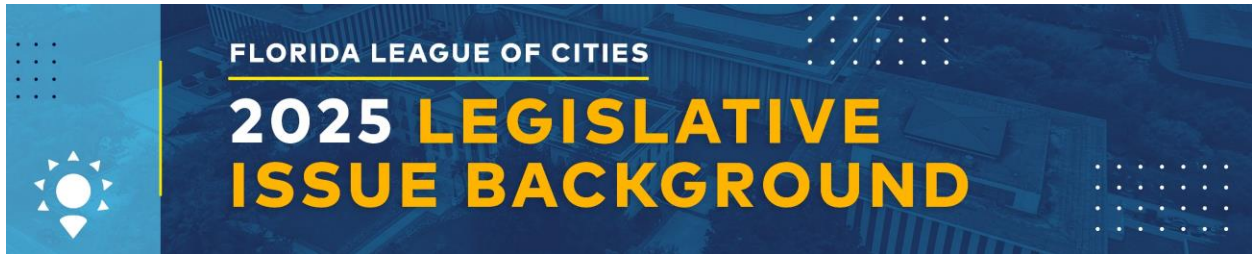
Property taxes are levied on various categories of property including, one homesteaded property (the primary home of Florida residents), two, non-homestead property (second homes or commercial properties) and three, tangible personal property (goods, property other than real estate and other articles of value the property owner can physically possess).

Florida's property tax system includes various exemptions. Most notable is the Homestead Exemption, which is a property tax break reducing the assessed value of a home by \$50,000. In recent legislative sessions, bills have been filed to either increase the dollar amount of homestead exemptions; add new categories of homestead exemptions for first responders, essential workers and veterans (and spouses of deceased veterans); or commission a study to eliminate property taxes altogether and replace them with consumption taxes. The League has consistently opposed these efforts.

Amendment 5 (HJR 7017) was just approved by Florida voters in the 2024 November election. This amendment places an adjustment to the homestead exemption to account for inflation. The referendum is self-executing with an implementation bill already approved by the Legislature and Governor (HB 7019). This inflationary adjustment plus mandatory rollback millage rates reduce the amount of property taxes being generated to fund general government services such as police, fire, parks, libraries and more.

The increasing population demands for municipal services and the cost to provide those services continue to increase. With the passage of Amendment Five, we are requesting that the

Legislature give the program time to be effective before considering further reforming property taxes.



Local Business Taxes

Draft Policy Position Statement:

The Florida League of Cities SUPPORTS preserving municipal ability to collect local business taxes in order to foster economic growth, ensure public safety, deliver emergency services and drive community development.

Background:

Local business taxes in Florida, as authorized under Chapter 205, Florida Statutes, are fees collected by counties and municipalities from businesses, professions and occupations operating within their jurisdictions. These taxes provide local governments with general revenue to support essential public services, including infrastructure, economic development and safety services, which all help create a thriving local business environment.

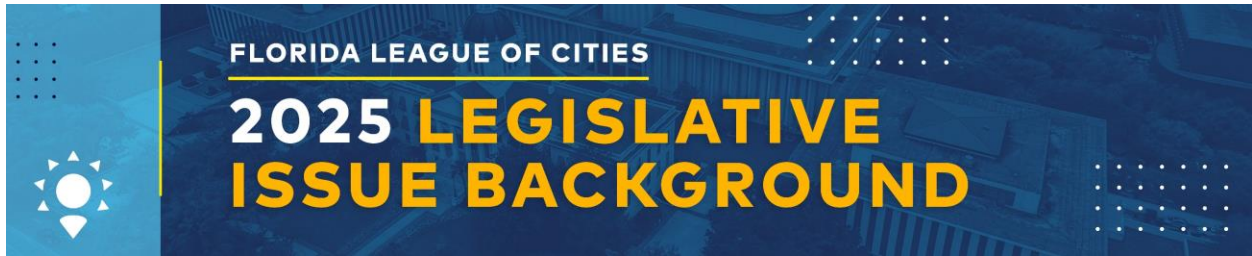
The local business tax grants a business the ability to operate within a specific jurisdiction. Not to be confused with regulatory fees or licenses, this tax is a general revenue stream that allows local governments to offset the costs associated with managing the needs of business communities, such as zoning enforcement, public safety and infrastructure support. Initially referred to as the “Local Occupational License Tax,” the name was changed in 2007 to clarify that the tax does not imply a regulatory license or official approval of competency but is simply a general tax.

In 2023, municipalities across Florida collected about \$175.2 million in revenue from local business taxes. These taxes represent one of the limited revenue sources available to local governments in Florida and provide a vital stream of general revenue that helps cities fund services and maintain local infrastructure.

Over recent years, the Florida Legislature has pursued various bills aimed at reducing or even phasing out local business taxes. These efforts are generally part of a broader state-level trend to curb what some lawmakers view as overly burdensome local regulations on businesses. Supporters of these measures argue that reducing these taxes fosters a more business-friendly environment, whereas opponents contend it limits vital local revenue streams.

In 2024, HB 609 was introduced as part of ongoing efforts to curtail local government reliance on business tax revenue. As originally filed, this legislation sought to eliminate local government authority to levy the local business tax. This legislation was amended to propose significant limitations on local business tax revenues by requiring that, for future years, revenue should not exceed the amount collected in the fiscal year ending September 30, 2023. Although HB 609 did not pass in 2024, it represents a significant legislative push to restrict local governments’ ability

to raise business tax revenue, which signals potential future attempts to reintroduce similar measures.



Electric Vehicles

Draft Priority Statement:

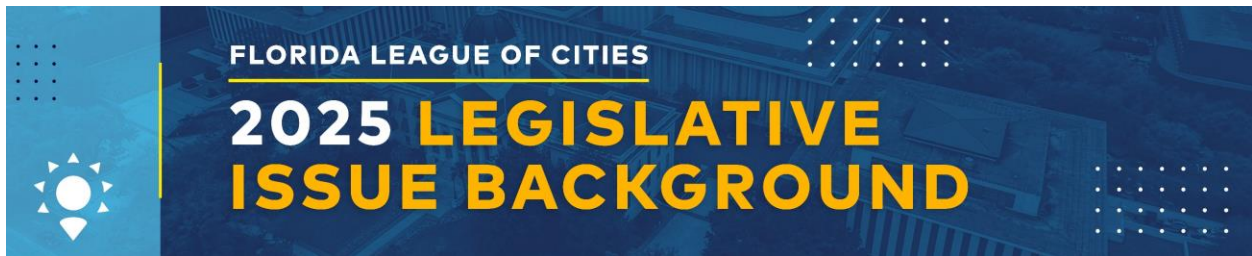
The Florida League of Cities SUPPORTS legislation that ensures all vehicles, regardless of fuel type, contribute fairly to the funding of Florida's transportation infrastructure, which will allow cities to maintain safe and reliable roads for all residents.

Background:

The decline in annual fuel tax revenues at state and federal levels has been driven by a reduction in gasoline and diesel consumption, which correlates with the increased presence of electric vehicles (EVs) on the road. Since EVs either do not use gasoline or diesel at all or use significantly less compared to conventional internal combustion engine vehicles, an increase in the number of EVs operating on the roadways results in less revenue being raised from fuel taxes for comparable vehicle miles traveled.

According to the Florida Department of Transportation's (FDOT) EV Infrastructure Master Plan completed in July 2021, motor-fuel revenue losses in Florida are projected to range from 5.6% to 20% by 2040, depending on the rate of growth of EV sales.

During the 2024 Legislative Session, the League supported CS/SB 28 (Hooper) that would have increased the annual fees required for electric and hybrid vehicles. Although the bill failed, it would have imposed an added \$200 registration fee specifically for electric vehicles, \$50 for plug-in hybrid vehicles and \$10 for electric motorcycles. The bill proposed that after five years, the annual fee for electric vehicles would increase to \$250, the annual fee for hybrid vehicles would increase to \$100, and the annual fee for electric motorcycles would increase to \$20. The bill specified that 64% of the proceeds be deposited into the State Transportation Trust Fund (STTF), and 36% must be allocated to the county where the vehicle is registered. FDOT would transfer the funds quarterly to the Florida Department of Revenue for distribution to the boards of county commissioners and municipalities within the counties in proportion to the previous quarter's distribution of the local option fuel taxes. This bill would have enabled local governments to use these funds for transportation expenditures. The League will support similar legislation during the 2025 Session.



Annexation

Draft Policy Position Statement:

The Florida League of Cities SUPPORTS legislation that facilitates the municipal annexation of unincorporated areas in a manner that respects municipal boundaries, protects private property rights and encourages cooperation between municipal and county governments.

Background:

In Florida, there are four ways in which an annexation may take place: by special act of the Legislature, a voluntary annexation, an involuntary annexation or by interlocal agreement with a county.

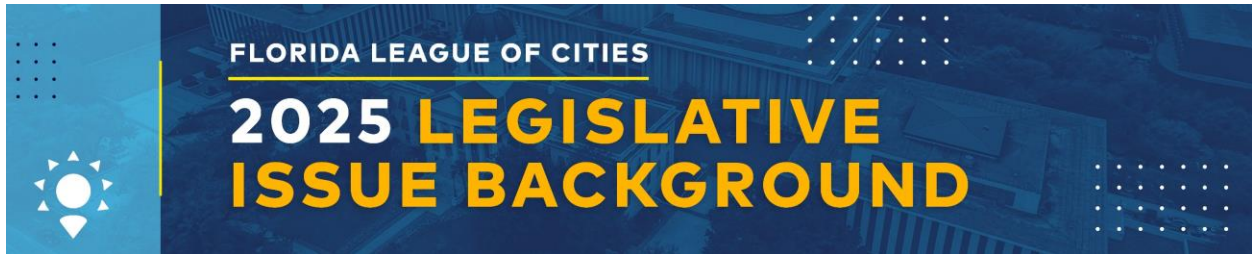
Under the Florida Constitution, the Legislature has the authority to develop procedures for the municipal annexation of unincorporated territory by general or special law. In 1974, the “Municipal Annexation or Contraction Act” was passed, which provided a mechanism for municipalities to annex territory. This Act allowed municipalities to annex territories that are “contiguous, compact, unincorporated and developed for urban purposes.” In 2023, the Legislature revised the law, which now requires that municipalities complete a feasibility study evaluating economic, technical and financial aspects before moving forward with annexation.

The current annexation process makes it difficult for cities to annex certain unincorporated enclaves and unincorporated areas where city services are already being provided. Current law requires that if more than 70% of the land in the area proposed to be annexed is owned by individuals, corporations or legal entities that are not registered electors of the area, the area cannot be annexed without the approval of at least 50% of the owners. Also, a vote of electors of the area proposed to be annexed is not required if the area doesn’t have any registered voters.

In some cases, the process of taking a vote of the electors of the area proposed to be annexed before annexation has frustrated annexation efforts to the detriment of property owners desiring to be annexed.

During the 2017 Legislative Session, a bill was proposed that would have removed the requirement for a city to get permission “from at least 50 percent of owners in an area proposed to be annexed, when more than 70 percent of the land is owned by individuals, corporations, or legal entities.” Also, the legislation would have allowed for an area to be annexed without a vote of the electors if there are no registered electors that own property in the area proposed to be annexed on the date the ordinance is adopted. Ultimately, the 2017 legislation failed to pass the Legislature.

The League will support legislation that facilitates the annexation of enclaves, gives property owners an adequate voice in the annexation of their properties and requires any contraction or de-annexation initiated by special act to be agreed to by the voters of the municipality.



Sovereign Immunity

Draft Priority Statement:

The Florida League of Cities SUPPORTS preserving reasonable sovereign immunity liability caps for municipal governments to protect taxpayer funds and ensure delivery of public services.

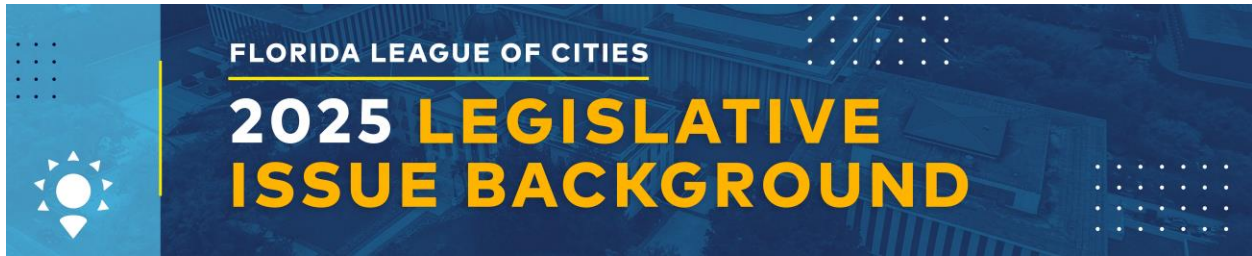
Background:

The principle of sovereign immunity means that the government cannot be sued without its consent. However, Florida law allows suits for damages caused by government employees' negligence under certain conditions. Currently, claims are capped at \$200,000 per person and \$300,000 per incident, and recovering more requires passage of a legislative claim bill.

Capping tort claims against Florida's government entities is necessary to protect taxpayers while ensuring that cities can continue to provide essential services. Services such as police and fire carry an inherent high degree of risk. However, these services are essential for all Floridians. The ability to collect larger settlements or judgments against government entities will serve to increase liability exposure and incentivize litigation, which threatens the ability to provide the same level of services.

Local government entities are limited by state law in their ability to generate revenue or increase taxes. City budgets are already stretched thin. Increasing the sovereign immunity limits to unreasonably high levels puts cities at risk of a huge financial burden. To compound the gravity of these potential impacts, the insurance market in Florida is incredibly volatile. Securing adequate insurance has been difficult for cities. Florida's government entities have seen very large increases to insurance premiums over the last couple of years. Increasing the sovereign immunity limits will have a dramatic financial impact on all of Florida's government entities and especially Florida's cities, which have limited resources.

Two bills from the 2024 Legislative Session, SB 472 and HB 569, aimed to raise the limits on tort claims against Florida's government entities from \$200,000 per person/\$300,000 per incident to \$400,000 per person/\$600,000 per incident. Later amendments to SB 472 reduced the proposed caps to \$300,000 per person/\$500,000 per incident. These bills also adjusted how limits could increase based on inflation and allowed settlements above statutory caps without a legislative claims bill. They shortened the statute of limitations on negligence claims from four years to two years. We expect similar bills to be filed during the 2025 Legislative Session.



Public Safety Recruitment and Retention

Draft Policy Position Statement:

The Florida League of Cities SUPPORTS legislation and funding to enhance recruitment and retention of municipal public safety personnel, which will help communities maintain effective emergency response and public safety services.

Background:

Florida is adding 900 people per day, with an estimated population of over 22 million. With population estimates reaching 26 million by 2030, municipal services for these additional citizens will be required.

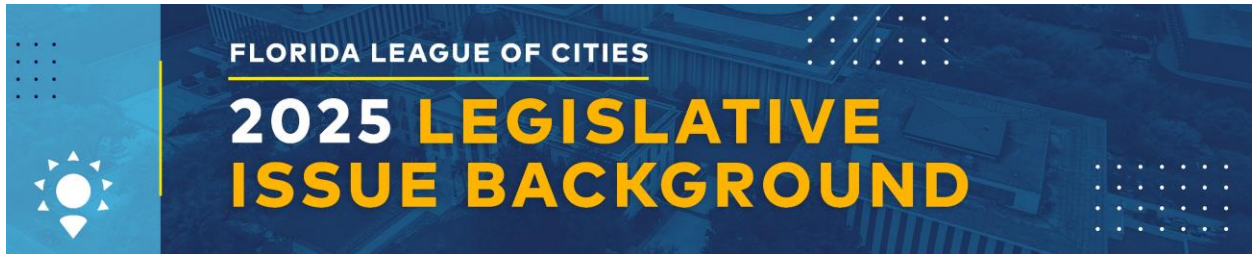
Cities across Florida are desperately trying to keep pace with the rapid growth. However, this growth is placing significant pressures on our public safety community. As the market tightens for police and firefighters, communities begin to compete. With Florida's public safety talent pool being squeezed, the shortage of qualified individuals crushes smaller and more rural cities.

Over the past several years, the Legislature has consistently supported and passed public safety initiatives that bolster the tools for local agencies to recruit and retain qualified candidates. These initiatives have primarily been focused on enhanced training, financial incentives and educational opportunities.

Over the past three years, the Legislature has continually funded the "Florida Law Enforcement Recruitment Bonus Program." This program provides a bonus payment of up to \$5,000 for newly hired officers who have relocated from outside Florida.

More recently, the Florida Fire Chiefs' Association and the Florida Professional Firefighters have been developing rules that would permit temporary reciprocity for out-of-state firefighters who have equivalent certification standards from other states. The goal is to ease barriers and challenges faced by those incoming firefighters by allowing them to work in the State while they obtain their Florida certifications.

Lastly, this past session, the Legislature allocated \$750,000 to a statewide law enforcement apprenticeship program. This program is available to all localities statewide, with a focus on fiscally constrained areas. Since July, the program has enrolled 28 applicants throughout the State. The program pays the applicant's salary while they obtain their training and schooling.



Enterprise Fund Transfers and Extraterritorial Surcharges

Draft Priority Statement:

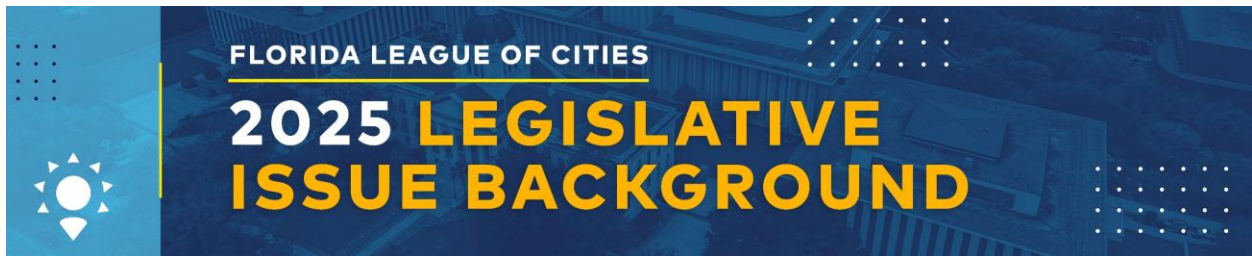
The Florida League of Cities SUPPORTS preserving municipal authority over utility revenues and the ability to realize a reasonable rate of return on utility assets. Legislation should honor current practices, existing contracts, utility operation and maintenance costs, service territory obligations and revenues obligated for debt service and planned projects.

Background:

- During the 2023 and 2024 Sessions, legislation was filed that would have substantially limited municipal authority and revenues relating to municipal water and electric utility extraterritorial surcharges, extraterritorial service and transfers of enterprise funds. The bills would have authorized a municipal utility to transfer a portion of its earnings to the municipality for general fund purposes but at a significantly reduced rate and would have eliminated any amount of surcharge that could be added to the rates and fees charged to extraterritorial water and wastewater customers.
- Under current law, there are no restrictions on transfers of municipal enterprise funds to the municipal general fund. Municipalities may transfer utility revenues as needed to supplement their general funds for other municipal operations, thereby supplementing property tax revenues or using enterprise fund revenues to provide essential public safety government services where insufficient property tax revenue exists.
- Under current law, municipal water and wastewater utilities are statutorily authorized to levy a surcharge on extraterritorial water service. A municipal water or wastewater utility may impose a surcharge of up to 25% for extraterritorial service without a public hearing. In addition, a municipal water or wastewater utility may impose a second surcharge of up to 25% for extraterritorial service after holding a public hearing.
- HB 1277 (Busatta Cabrera) and SB 1510 (Brodeur), filed in the 2024 Session, would have imposed a 10% cap of gross utility revenues on any enterprise fund transfers to the general fund. In addition, the bills required interlocal agreements for extraterritorial service to be written and provided that such agreements may not become effective until a joint public meeting was held between the governing body of the municipal utility service provider and the governing body of the recipient jurisdiction. The bills required a joint public meeting to be held annually. The bills also required municipal utilities to submit an annual report to the Public Service Commission with information about the nature and scope of services. Early versions of the bills imposed no restrictions on

enterprise fund transfers if the utility service was governed by a utility board composed of proportionate representation of extraterritorial customers.

- HB 1277 and SB 1510 eliminated current statutory authority for extraterritorial surcharges for water and wastewater service. Instead, the bills provided that rates, fees and charges for extraterritorial customers should not exceed 25% of the total amount a municipality charges customers served within the municipality for corresponding service.
- HB 1277 made it to the House floor but died on second reading. SB 1510 died in committee. The bills are expected to be refiled for the 2025 Session.



One Water

Draft Policy Position Statement

The Florida League of Cities SUPPORTS the state legislature's endorsement of One Water policies that seek to enhance integration between different water systems while maintaining local flexibility.

Background:

One Water is a water resources planning concept that values all water through a collaborative and integrated systems approach to managing all fresh and brackish surface and groundwater, stormwater, wastewater and recycled water in a holistic and sustainable manner that maintains ecosystems while providing reliable and resilient water resources that support economic, environmental and social benefits. Additional information on the One Water approach can be found [here](#).

The One Water philosophy promotes that surface water and groundwater, freshwater and marine water, potable water, wastewater and reclaimed/reuse water all fall under one interconnected umbrella. One Water encourages increased integration of the systems that govern water in its various forms. Beyond the water itself, the concept involves examining how these systems are integrated in policy and law, including funding, regulation, community needs and vulnerabilities, environmental protection and short-and long-term water planning.

State action is not required for local governments to adopt a One Water approach. For example, Plant City has integrated a series of water systems between its water reclamation plant, local wetland areas and the Hillsborough River. Reclaimed water from the reclamation plant feeds into local wetland areas, where the water is further treated through natural processes. The wetlands then feed into the Hillsborough River, which has previously required restoration efforts. This project involves collaboration between local utilities, stormwater operators and parks departments.

While state action is not required for local governments to take initiative, an endorsement of the One Water approach by the State of Florida in all aspects of water resources planning, regulation and funding would amplify and further incentivize local efforts. For example, One Water projects are difficult to implement because they depend on a combination of disparate state and local funding sources. Each state funding source requires a separate competitive grant application, which increases the level of difficulty and uncertainty in project planning. This hurdle could be reduced if One Water projects were highlighted as funding priorities in current state grant programs.