

53rd Annual Legislative Conference

Legislative Committee Meeting Friday, November 22, 2013 9:00 a.m.

Continue enthall Bradillicant for the

Hyatt Regency Orlando International Airport Hotel

9300 Airport Boulevard Orlando, FL 32827

Phone: (407) 825-1234

Fax: (407) 856-1672

Proposed Priority Statements

Energy, Environment and Natural Resources

Septic Tanks:

The Florida League of Cities SUPPORTS financial and regulatory initiatives that prioritize and encourage properties with septic tanks to connect to centralized sewer systems, especially in areas that impact rivers, estuaries, first magnitude springs and impaired water bodies.

Water Quality and Quantity:

The Florida League of Cities SUPPORTS legislation addressing water quality and quantity issues that affect the economies of local communities. Specifically, the League supports efforts to revitalize and protect Florida's springs, aquifers, surface waters and estuaries.

Finance, Taxation and Personnel

Communication Services and Local Business Protection:

The Florida League of Cities will SUPPORT legislation that protects the general revenues collected from the communications services tax and the local business tax. These revenues are used to provide essential municipal services such as public safety, constructing and maintaining roads, bridges, public parks and open spaces. Maintaining a diversified revenue base strengthens the fiscal stability of local governments and improves their ability to serve citizens and businesses.

Municipal Pension Reform:

The Florida League of Cities continues to SUPPORT legislation that affirms the home rule powers of municipalities to set and fund municipal employee benefit levels, and specifically provides comprehensive pension reform, disability presumption reform and a mechanism for municipalities to revoke their election to participate in the Florida Retirement System. The League also supports legislation that provides municipalities flexibility in the use of insurance premium taxes as currently interpreted by the Department of Management Services.

Growth Management and Economic Development

Economic Development:

Recognizing that 89 percent of all business in Florida have 12 or fewer employees, the Florida League of Cities will SUPPORT legislation that dedicates to small businesses state economic development resources emphasizing technical assistance, access to capital, public infrastructure and urban infill.

Housing and Small City CDBG Policy:

The Florida League of Cities SUPPORTS legislation that requires State housing trust fund monies be used exclusively for funding local government affordable housing initiatives, supports improving the CDBG program to maintain current funding categories with adequate verification safeguards to ensure grants will primarily benefit low and moderate-income families, and supports maintaining the CDBG advisory committee.

Transportation and Intergovernmental Relations

Transportation Funding:

The Florida League of Cities will SUPPORT legislation that preserves local control of transportation planning and provides opportunities for additional revenue options to fund municipal transportation infrastructure projects.

Ethics:

The Florida League of Cities SUPPORTS legislation that provides for a judicious code of ethics for public officials to protect and preserve the public trust, provides a reasoned and balanced manner by which public officials may identify, disclose, and resolve, or otherwise avoid, conflicts between public duty and private interests, and recognizes the home rule authority of each municipality to independently adopt more stringent standards for its own public officials.

Urban Administration

Sober Homes:

The Florida League of Cities SUPPORTS legislation that defines and establishes statewide minimum regulatory standards for properties used for "sober home" purposes and allows for more stringent local regulation of such properties.

Vacation Rentals:

The Florida League of Cities SUPPORTS legislation that repeals the state preemption of the regulation of vacation rental properties in order to allow local governments to regulate such properties to protect the health and welfare of their residents, visitors, and businesses.

Background Information for 2014 Priority Statements



Septic Tanks

Proposed Policy:

The Florida League of Cities SUPPORTS financial and regulatory initiatives that prioritize and encourage properties with septic tanks to connect to centralized sewer systems, especially in areas that impact rivers, estuaries, first magnitude springs and impaired water bodies.

Background:

Onsite sewage treatment and disposal systems (OSTDS), commonly referred to as septic tanks, are a means of wastewater disposal for roughly 30 percent of Florida's population. Properly designed, constructed, and maintained systems protect Florida's ground water which provides 90 percent of Florida's drinking water. The general problem with septic tanks in the State of Florida is that a large number of these systems are out of date and not inspected or cleaned frequently enough to prevent leaks. In 2002, the Environmental Protection Agency (EPA) released a study based on the estimates for the per person release of nitrogen a day into residential wastewater systems. That study found that approximately 11.2 grams of nitrogen per person per day were released. Of the 11.2 grams, roughly 70-80 percent of that originated from toilet wastes; 10-15 percent is food preparation; and the rest originates from household products.

Increased amounts of nitrogen in surface water bodies can cause eutrophication, which can lead to detrimental effects to sensitive aquatic ecosystems. Nitrogen sources to the environment include: atmospheric deposition; fertilizer from both agricultural and residential land uses; livestock wastewater; municipal wastewater treatment systems; onsite sewage treatment and disposal systems; and stormwater. The combination of these sources adds up to a cumulative nitrogen load to ground and surface waters

In 1984, Florida adopted a law, which mandated that all drain fields in newly constructed onsite treatment and disposal systems had to be installed to provide two feet of separation from groundwater sources.

Current Status:

As of 10/31/13, no bills have been filed that directly address septic tanks. Senator Simmons has released a draft springs protection bill that requires communities found within the springshed of 21 pre-determined springs must hook up septic tank owners to central sewer at no cost to the resident. The bill provides for a reimbursement for the local government through the documentary stamp tax collection.

Contact: Ryan Matthews <u>rmatthews@flcities.com</u>

Water Quality & Quantity

Proposed Policy:

The Florida League of Cities SUPPORTS legislation addressing water quality and quantity issues that affect the economies of local communities. Specifically, the League supports efforts to revitalize and protect Florida's springs, aquifers, surface waters and estuaries.

Background:

Florida water policy has evolved significantly as science and technical data have dramatically improved the ability to study Florida's groundwaters, surface waters, as well as the sources of water pollution in these water bodies. With the evolution of science also comes revision to the decades old regulatory framework that has evolved into Florida water law. The Florida Water Resources Act of 1972, Chapter 373, Florida Statutes, established a form of administrative water law that brought all waters of the state under regulatory control. The Act included provisions for (1) the establishment of a state water regulatory agency and five water management districts (WMDs) that, taken together, encompass the entire state; (2) water planning requirements; and (3) a permit system administered by the WMDs regulating water use, well construction, and the storage and management of surface water.

Currently, Florida faces a number of water quality and quantity conundrums. In North Florida, the continued and projected excessive water uses by the State of Georgia threaten entire fishing communities that have built their way of life around the flows of the Apalachicola River. In South Florida, an extraordinary rainy season has highlighted the current polluted condition of the waters in Lake Okeechobee and the impact of releasing that impaired water from the lake. Releases of that impaired water to the Caloosahatchee and St. Lucie Rivers contribute to reduced tourism and have a negative impact on the economies of those cities in close proximity to Lake Okeechobee, the St. Lucie, and the Caloosahatchee.

Throughout the state we face a growing water quantity problem due to the withdrawals from the Floridan Aquifer and the lack of investment in storage and stormwater infrastructure investment. The Floridan Aquifer is one of the largest and most productive aquifer systems in the world. Due to a population surge in the Central Florida region, recent studies show the current amount of water pumped each day from the aquifer can be increased only by approximately 6 percent. Consumptive uses throughout the state have left the aquifer depleted and unable to recharge.

Local governments play an important role in the planning of future water resources by working in cooperation with each of the five water management districts during the Regional Water Supply Planning process. In addition to the planning of future water resources, local governments also establish stormwater utilities that manage activities such as flood control, pollution control, permitting,

maintenance, inspection, and capital construction. Furthermore, cities across the state have adopted a host of ordinances designed to prevent pollution and increase alternative water supplies. While cities have many "tools in their toolbox" to ensure a clean and sustainable water resource for their communities, the legislature continues to pass laws that chip away at local government authority.

Current Status:

On July 10, 2013 Senate President Gaetz announced the creation of the Select Committee on Indian River Lagoon and Lake Okeechobee. The committee, chaired by Senator Joe Negron, was tasked with investigating public policy, funding, and other governmental activities affecting the water management of Lake Okeechobee. The committee has held three public meetings to date. Senator Negron has tasked the water management district, as well as the general public, to come up with short term projects that will improve water quality coming from the lake and ensure that the water released will flow through the Everglades as originally intended. Unfortunately, the State of Florida is at the mercy of the federal government and Army Corps of Engineers in some regard. The Army Corps of Engineers has federal oversight of the water releases from Lake Okeechobee and the dam that surrounds it.

In 2013, the State of Florida committed \$10 million dollars for springs protection programs. Local government matching funds have increased the amount available for springs protection initiatives to \$37 million. The Department of Environmental Protection (DEP) is using these funds to mitigate the damage from point source pollution from wastewater treatment facilities, remove wastewater spray fields that are close to spring sheds and other strategies that will reduce phosphorus and nitrogen in impaired water bodies. Recently, DEP requested a budget allocation of \$15 million for springs protection for FY 2014-2015.

The Florida League of Cities supports legislation that protects Florida's water bodies through increased funding for the Total Maximum Daily Load (TMDL) program, as well as the Basin Management Action Plan (BMAP) program. The League will also continue to fight to protect the Home Rule Authority of cities to adopt local fertilizer ordinances to protect the water quality of local waterways. 2014 is likely to be a busy year with multiple pieces of legislation filed that deal with water quality, water quantity, and springs protection.

Contact: Ryan Matthews <u>rmatthews@flcities.com</u>

Communications Services and Local Business Tax Protection

Proposed Policy:

The Florida League of Cities will SUPPORT legislation that protects the general revenues collected from the communications services tax and the local business tax. These revenues are used to provide essential municipal services such as public safety, constructing and maintaining roads, bridges, public parks and open spaces. Maintaining a diversified revenue base strengthens the fiscal stability of local governments and improves their ability to serve citizens and businesses.

Background:

Communications Services Tax

In 2001, the Florida Legislature restructured taxes on telecommunications, cable, direct-to-home satellite, and related services. This change was called the Communication Services Simplifications Act, which replaced and consolidated seven different state and local taxes and fees into a single tax that has two centrally-administered parts, the state and the local communications services tax (CST). The CST is one of the main sources of general revenue for municipalities. Local governments collect nearly \$800 million every year. These revenues may be used for any public purpose, including pledging the revenues to secure bonds.

Local Business Tax

Currently, a municipality may impose a local business tax for the privilege of engaging in or managing a business, profession or occupation within its jurisdiction. The amount of the tax as well as the occupations and businesses on which the tax is imposed on are determined by the local government. Local business tax revenues that are collected by local governments are used to assist in the funding of services critical to business such as zoning, permitting, code enforcement, and police and fire. Local governments may also use the business tax revenues to help fund other vital services such as economic development programs, presenting a direct benefit to businesses through the marketing of local areas. Many municipalities use the business tax as general revenue funds and have pledged these revenues to secure debt. Collections for municipal local business tax revenues are more than \$120 million every year.

Current Status:

In 2013, Governor Scott has promised to cut taxes by \$500 million and included in that discussion is a reduction of the state communications services tax rate. SB 266 (Hukill) would reduce the state CST rate and the direct-to-home satellite rate by 2 percent. It does not include a reduction of the local CST rate but could have a negative fiscal impact on municipalities due to the distribution of some of the state CST and direct-to-home satellite revenues.

Supporters of this proposal say that a reduction in the rates would be beneficial to consumers due to the fact that the current combined rate of the gross receipts, state and local CST rates are so high

Contact: Amber Hughes ahughes@flcities.com

Municipal Pension Reform

Proposed Policy:

The Florida League of Cities continues to SUPPORT legislation that affirms the home rule powers of municipalities to set and fund municipal employee benefit levels, and specifically provides comprehensive pension reform, disability presumption reform and a mechanism for municipalities to revoke their election to participate in the Florida Retirement System. The League also supports legislation that provides municipalities flexibility in the use of insurance premium taxes as currently interpreted by the Department of Management Services.

Background:

Municipal Police and Firefighter Pension Plans:

Prior to 1999, cities were largely free to bargain with local police and fire unions, or provide for the non-unionized police and firefighters, the pension benefits that best fit the priorities and needs of the city and its police and firefighters. In 1999, the Legislature amended Chapters 175 and 185, F.S., relating to city police/fire pensions to require that additional insurance premium tax revenues (taxes on property and casualty insurance premiums) over a base amount be used to provide only "extra" pension benefits to police officers and firefighters. In aggregate numbers, this mandate has required cities to provide over \$520 million in new, "extra" pension benefits to police officers and firefighters since 1999. This mandate to keep providing "extra" pension benefits is not sustainable; rather cities need the flexibility to use insurance premium tax revenues for the current or a decreased level of police/fire pension benefits to meet city budget constraints.

Beginning in August of 2012, the Department of Management Services (DMS) issued a letter to the City of Naples that reflect a fundamental change in the department's interpretation on the use of insurance premium tax revenues. Prior to this letter, DMS had taken the position that if a city reduced any pension benefit below the statutory minimum benefits or below the plan benefits in effect in 1999, the city would be ineligible for future premium tax revenues. In the Naples letter, the Division of Retirement acknowledges that its prior interpretation "appears inaccurate." Since that point, over 33 municipalities have received similar letters from the DMS.

Disability Presumption:

Currently in Florida, there is a disability presumption for firefighters, law enforcement officers, and correctional officers relating to health conditions from heart disease, hypertension, or tuberculosis. This means that disability claims for both workers' compensation and disability pension claims for these health conditions are presumed to be related to their job.

Florida Retirement System:

Municipal participation in the Florida Retirement System (FRS) has been voluntary since 1970.

Approximately 150 municipalities participate in various membership classes, but make up less than five percent of the participants/members of the FRS. FRS membership classes include: Special Risk (Police and Fire), General Employees, Elected Officials, and Senior Management. Once in, current and future employees are compulsory members of the FRS. The last "opt-out" for municipalities occurred in 1996 "and was authorized for new employees only. Approximately 50 municipalities and independent special districts opted-out during this window.

Current Status:

SB 246 (Ring and Bradley) has been filed for the 2014 Legislative Session. The bill is similar to the bill the Senate considered during the 2013 Session.

Broadly speaking, the bill allows cities to reduce pension benefit levels all the way down to the statutory minimum benefit levels (if your city has a police or fire union this action would have to occur through the collective bargaining process). While, the bill provides very limited flexibility relating to the use of insurance premium tax revenues, it also, the bill creates a fairly complex process regarding the use of insurance premium tax revenues. Under SB 246 the use of these funds depend on when an amount of insurance premium tax revenues was generated and if the underlying defined benefit plan has either an over or under 80 percent assets-to-liabilities ratio.

In addition, an immediate and problematic effect of the bill is that it would void the current Department of Management Services (DMS) interpretation on the use of insurance premium tax revenues, as reflected in the "City of Naples" type letters. This DMS interpretation is very favorable to cities by providing them with broad flexibility in negotiating pension benefit levels and use of insurance premium tax revenues. However, a concern with the current DMS interpretation is that it could be challenged, or DMS, under new governor could once again change its interpretation. As noted, a statutory change, as reflected in the bill, would remove the current DMS interpretation but it would also prevent the DMS from developing a less favorable interpretation of the law in the future.

The police and firefighter unions argue that their members rely on the revenues from the insurance premium taxes to fund the additional pension benefits and that given the 1999 law change, those revenues were promised to them. The League has long maintained those mandated benefit levels required under current law are unsustainable.

Contact: Amber Hughes ahughes@flcities.com



ECONOMIC DEVELOPMENT

Proposed Policy Statement:

Recognizing that 89 percent of all business in Florida have 12 or fewer employees, the Florida League of Cities will SUPPORT legislation that dedicates to small businesses state economic development resources emphasizing technical assistance, access to capital, public infrastructure and urban infill.

Background:

According to the U.S. Bureau of Labor and Statistics, as of September 2012, Florida's current unemployment rate is 8.9 percent compared to 3.2 percent in 2006. These unusually high unemployment figures have motivated the Florida Legislature to focus intensely on the area of economic development as a way to restart Florida's economic engine and create more jobs for Floridians. Getting Florida back to work continues to be a major focus of Governor Rick Scott, who has pledged to create 700,000 permanent Florida jobs over the next 7 years. One of the measures enacted to achieve these job creation goals was the creation of a new agency, the Florida Department of Economic Opportunity. This new agency is charged with coordinating economic development efforts to ensure Florida has a thriving climate for businesses that seek to start, relocate, or expand in Florida.

In 2013, Governor Scott's agenda pushed to stimulate economic growth by streamlining business permitting, providing tax relief for manufacturers, reforming Florida's unemployment system, offering stability to Florida's businesses by balancing the budget without raising taxes and prioritizing science, technology, engineering and mathematics (STEM) education in the state. Legislative efforts relating to economic development have also focused on creating greater accountability and transparency of taxpayer funded incentives.

There is significant evidence showing that the bulk of job opportunities are created by small to mediumsize businesses, not large corporations. According to the U.S. Small Business Administration (SBA), 89 percent of all businesses in Florida have 12 or fewer employees. Not every city in Florida is the base of operations for a large corporation, but every city in Florida is the home to dozens of small businesses.

Small business owners are the backbone of Florida's economy, but are often times overlooked or do not qualify for existing economic development incentives. Rebuilding Florida's economy should be a "bottom up" process that starts with local economic development and efforts to retain and grow small businesses.

Current Status:

Economic development continues to be an important focus for the Florida Legislature, the Governor and other important and influential stakeholders. Florida's cities will continue to engage these entities by looking to develop partnerships and collaborations and provide counsel on how best to accomplish the task of rebounding Florida's economy.

Contact: David Cruz, dcruz@flcities.com



Housing and Small Cities Community Development Block Grant Program (CDBG)

Proposed Policy:

The Florida League of Cities SUPPORTS legislation that requires State housing trust fund monies be used exclusively for funding local government affordable housing initiatives, supports improving the CDBG program to maintain current funding categories with adequate verification safeguards to ensure grants will primarily benefit low and moderate-income families, and supports maintaining the CDBG advisory committee.

Background:

Florida's housing market has been one of the hardest hit in the country and Florida's cities have been at ground zero. Cities have not only had to face a record number of foreclosures, but they have also encountered a decline in funding for affordable housing programs.

In 1992, the Sadowski Act created a dedicated funding source for affordable housing programs. An increase in the documentary stamp tax paid on all real estate transaction funds the state and local housing trust funds. From those funds, 70 percent are directed to local governments in all 67 counties and Florida's so called "entitlement cities" to fund the State Housing Initiative Partnership (SHIP) program. The remaining 30 percent of the funds are used by the Florida Housing Finance Corporation for programs such as the State Apartment Incentive Loan (SAIL) program.

SHIP funds can be used for rehabilitation/renovation of existing vacant homes, to transform neighborhoods into vibrant communities. In addition, SHIP funds can be used for down payment and closing cost assistance. SAIL funds may be used to rehabilitate existing low income apartments or construct new units for very low income families.

The Florida Small City Community Development Block Grant (CDBG) program is intended to provide the necessary means for cities to develop, preserve, redevelop and revitalize Florida's cities. The Small City CDBG program provides federally funded grants on a competitive basis to eligible municipalities in order to serve low and moderate-income families. To be eligible for participation in the Small City CDBG program, cities must have a population under 50,000. Competitive grants can be awarded to assist with housing rehabilitation, water and wastewater improvements and economic development projects that create jobs. For fiscal year 2012-13 Florida received over \$22 million in Small City CDBG funding. Florida's Department of Economic Opportunity (DEO) administers the federally funded Small City CDBG program.

Current Status:

An estimated \$261.775 million will be appropriated into the state and local housing trust fund for fiscal year 2014-15. For the last 4 years Florida's Legislature has used these trust fund monies to brace budget shortfalls rather than fund the SHIP and SAIL housing programs. For the first time since 2009, analysts are projecting a state budget surplus of \$845.7 million for the 2014-15 fiscal year. With no budget shortfalls, it is critical that the housing trust fund monies be used for their intended purpose this year. If projected housing funds are fully invested into Florida's local government housing programs it is estimated these funds can create 26,400 jobs, and have a \$2.7 billion in positive economic development impacts for Florida's cities. The Sadowski Housing Coalition a nonpartisan coalition of 26 diverse statewide organizations strongly supports having a dedicated revenue source for Florida's affordable housing programs.

The DEO plans to file legislation making several statutory revisions to the Small City CDBG program in order to reduce outdated, burdensome or restrictive requirements. Legislation drafted by the DEO in cooperation with the League and other stakeholders directs the DEO to maintain grant activities in four statutory categories: housing rehabilitation, economic development, neighborhood rehabilitation and commercial rehabilitation. The draft legislation deletes the statutory authorization for an existing but little utilized advisory council, citing that it has not been used in 10 years. The League believes that maintaining an active advisory council composed of municipal members is critical to allowing cities to provide feedback on future changes to the program and strengthen the relationship between cities and the DEO.

Contact: David Cruz, dcruz@flcities.com

Transportation Funding

Proposed Policy:

The Florida League of Cities will SUPPORT legislation that preserves local control of transportation planning and provides opportunities for additional revenue options to fund municipal transportation infrastructure projects.

Background:

Currently, municipalities have limited revenue options for funding transportation projects. A major portion of transportation funding flows to municipalities through both the state and federal governments. Much of that funding is generated through a tax on gasoline. Recent data has shown that gas tax revenue at both the state and federal levels has decreased dramatically. A significant amount of the decrease in revenue is due to an increase in the number of fuel efficient vehicles on the road. More fuel efficient vehicles means less gas is being purchased, which means lower gas tax revenues. Given the fact vehicles will only become more fuel efficient, unlike other tax revenue that will increase once the economy improves, gas tax revenue is forecasted to continue to decrease over time. Compounding the problem is that the federal gas tax was last increased in 1997, the state gas tax in 1943, the county gas tax in 1941, and the municipal gas tax in 1971. None of these taxes are indexed for inflation.

Another issue compounding the problem is that municipalities lack the options to increase revenue to fund local transportation projects. For example, charter counties currently may hold a referendum on whether to impose up to a one percent sales tax to fund transportation infrastructure projects. Municipalities lack such authority. This can be problematic when there are disparities between the transportation needs of municipalities versus those of the more rural areas of the county at large. For example, a referendum was held in Hillsborough County to enact such a tax. The tax was defeated countywide. However, if the election results are broken down by municipality, the residents of Tampa actually voted to approve the tax. Extending such options to municipalities would allow greater flexibility to fund their unique transportation needs.

Current Status:

There seems to be a general consensus that Florida's transportation infrastructure is badly in need of increased funding and modernization or alteration of the current tax structure. In the 2013 legislative session, both the Secretary of the Florida Department of Transportation and the Executive Director of the Florida Metropolitan Planning Organization Advisory Council gave a presentation to the House and Senate Transportation Committees highlighting the current and future problems of transportation

funding facing governments at all levels. The Florida Transportation Commission is also in the process of studying the issue and reviewing alternatives to the existing per gallon tax on gasoline. No bills were filed during the 2013 session which would have directly affected the existing revenue stream devoted to transportation. However, the FDOT work program was fully funded for the 2013-2014 fiscal year. Throughout his term, Governor Scott has emphasized the importance of transportation to Florida and Florida's economy. The support of the executive branch and the increasing awareness of the transportation revenue problem may lead to the issue being addressed in the 2014 session.

Contact: Ryan Padgett rpadgett@flcities.com

Ethics

Proposed Policy:

The Florida League of Cities SUPPORTS legislation that provides for a judicious code of ethics for public officials to protect and preserve the public trust, provides a reasoned and balanced manner by which public officials may identify, disclose, and resolve, or otherwise avoid, conflicts between public duty and private interests, and recognizes the home rule authority of each municipality to independently adopt more stringent standards for its own public officials.

Background:

The state code of ethics provides a framework for the actions and activities of state and local government officials. The code covers various areas, including conflicts of interest, gifts, financial disclosure, and other standards of conduct. Failure to comply with the state code of ethics can subject an individual to civil or criminal penalties, depending upon the severity of the violation.

Many officials seek guidance on complying with ethics standards from the attorney to the officials' governmental entity. Officials who act in compliance with the attorneys' advice should be provided with a "safe-harbour" from allied ethics violations. Also, the ethics complaint process should not be used solely to further political or other unfounded purposes, and anyone filing a false ethics complaint with a malicious intent to injure the reputation of an official should be subject to a penalty.

Current law allows a political subdivision to adopt at the local level more stringent ethics standards than those provided under the state code of ethics. However, one political subdivision should not be authorized to adopt more stringent ethics standards for officials of a different political subdivision.

Current Status:

Contact: Ryan Padgett

Sober Homes

Proposed Policy:

The Florida League of Cities SUPPORTS legislation that defines and establishes statewide minimum regulatory standards for properties used for "sober home" purposes and allows for more stringent local regulation of such properties.

Background:

"Sober Homes" or "Halfway Houses" for individuals with drug and alcohol problems have been around for decades and provide needed transitional housing opportunities for people who are progressing through treatment for substance abuse problems. Several cities throughout the state have been experiencing increasing problems with sober homes. These homes are marketed as places where recovering addicts can come to "sober up" and be slowly phased back into society while getting treatment for their addiction. Lately however, cities have seen a proliferation of self-proclaimed "sober homes" that are run by unscrupulous landlords who are exploiting patients in order to make a profit. The Tampa Bay Times recently wrote a series of articles describing some of the problems these unregulated facilities are causing for both patients and non-patients alike in cities across the state.

The investigation into Sober Houses by Tampa Bay Times senior correspondent, Susan Taylor Martin, uncovered a morass of problems. Without licensing requirements, state regulations, or oversight setting minimum operating standards, many sober houses operate in the shadows and are often "fly-by-night" type facilities. The Times article reported that "....in some homes, residents are housed two to three to a room. This is a lucrative business if each person pays \$500 per month, meaning a three-bedroom house with two residents per bedroom can bring in \$3,000 per month. But residents don't get what they pay for."

With no regulation from government agencies, setting up a sober house is as easy as renting a house to a few residents who pledge to live in sobriety and attend support groups. The operators of these illegitimate sober houses often advertise on the internet as offering treatment on-site or providing transportation to off-site treatment facilities. Once residents arrive, they find that no treatment is offered and that there is very little oversight by the owners of the sober home. Instead, residents are free to do whatever they choose, which for many means to hit the streets to find drugs or alcohol (and in one Delray Beach home attached to a bar, they don't have to go too far). Law enforcement officials have seen increases in crime and homelessness in neighborhoods where these sober homes have located. Residents of these neighborhoods have reported an increase in burglaries, panhandling, and even some instances where the sober house operators are openly using or selling drugs out of the sober house.

As a result of the lack of uniform state standards or regulations for "sober homes", there are some houses that are nothing more than a group of individuals living together abiding by self-imposed rules of sobriety while other houses are operating just shy of administering treatment on-site and flying under the radar

of the Department of Children and Families (DCF) because they are not "formally affiliated with" a "Licensed Service Provider". (Those houses that are affiliated with a Licensed Service Provider are currently required to be licensed by DCF while homes not affiliated with a Licensed Service Provider are not required to be licensed by DCF). Therefore, the League will be supporting efforts to clearly define sober homes in statute and allow for the regulation of these facilities. Sober houses will continue to be a problem for cities and law enforcement in Florida until the Legislature decides to act and place minimum operating standards for these places into statute.

SB 738 (Clemens) and HB 1089 (Grant) were filed to address the sober home issue in 2013, but both bills died in committee. There was language inserted into SB 1500, the General Appropriations Act, requiring the Department of Children and Families (DCF) to study the possible licensure of sober homes in Florida. DCF held three public hearings over the summer and submitted a report to the President of the Senate, the Speaker of the House, and the Governor on October 1, 2013. The report listed what other states are doing in regards to sober home regulation or the lack thereof, but ultimately concluded that prior to making recommendations, further study of the issue was needed.

Status:

There have not been any bills filed to date dealing with sober homes, but League staff expects legislation to be filed on the issue in the coming months.

Contact: Casey Cook, ccook@flcities.com

Vacation Rentals

Proposed Policy:

The Florida League of Cities SUPPORTS legislation that repeals the state preemption of the regulation of vacation rental properties in order to allow local governments to regulate such properties to protect the health and welfare of their residents, visitors, and businesses.

Background:

In 2011, the Florida Legislature passed HB 883, which preempted local governments from regulating vacation rentals. Proponents of the bill claimed that city ordinances regulating vacation rentals were too restrictive, eroded private property rights, and discouraged investment in the housing market. Cities throughout Florida had seen developers encroaching on residential neighborhoods with commercial development, replacing existing houses with very large houses meant only for renters. These large vacation rentals were essentially operating as hotels in residential neighborhoods. As a result of these buildings operating as hotels, cities across the state rightfully attempted to regulate them as such. They began regular inspections and imposing other regulations such as parking or fire code standards. Hotels pay bed taxes and are zoned as commercial properties; vacation rentals are not. Cities mentioned that too little oversight could expose guests to dangerous situations, create unfair competition in the tourism industry, and rob the state and local governments of tax dollars.

Late in the 2011 Session, provisions were added to HB 883 that allowed cities with vacation rental ordinances in place by June 1st, 2011 to retain those ordinances. While this "grandfather" provision helped, new problems have emerged with vacation rentals and many cities are reluctant to amend their ordinance out of fear of voiding their existing ordinance.

Current Status:

The Florida League of Cities testified in opposition to the preemption bill during the 2011 legislative session and argued that the legislation would make it impossible for cities to craft solutions to local problems associated with these properties. There have not been any bills filed to date dealing with vacation rentals, but Senator John Thrasher and Representative Travis Hutson were recently quoted in a Daytona Beach News Journal article saying that they will be filing bills this year to remove the preemption from state law.

Contact: Casey Cook, ccook@flcities.com