

Broward SLI

State Legislative Information

September 27, 2013

Interim Committee Week 1 -2014 Session

CONTENTS

First Legislative Committee Week Convenes with a Better Financial Outlook

Sen. Latvala and Rep. Peters Committed to Homelessness Funding

Local Business Tax and Remote Sales Tax Collection Discussions Begin

Gaming Gets Attention Early

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First Legislative Committee Week Convenes with a Better Financial Outlook

On Monday September 23, 2013, the first committee week leading up to the 2014 Legislative Session convened in Tallahassee. Legislators heard updates on legislation from last session, the status of appropriations, and explored new issues. The most important presentation was on Florida's prospective economic outlook. According to Amy Baker, Coordinator of Florida's Office of Economic and Demographic Research, when legislators meet on the first official day of session, they will have a projected \$845.7 million budget surplus.

Ms. Baker expressed to the Senate Committee on Appropriations that this large surplus already takes into account a \$1 billion set-aside into state reserves. Shortly thereafter, the Senate Appropriations Committee Chair, Joe Negron, expressed his desire to increase that reserve set-aside to \$1.5 billion. Chair Negron expressed his concerns with investing too heavily in new programs or prematurely committing to Governor Scott's \$500 million tax cuts. The primary concern is that a large portion of the surplus is non-recurring revenues and therefore should not be appropriated to ongoing programs. Although it is extremely early in the legislative process, it was clear that legislators plan to be diligent with the second consecutive year of a budget surplus.

Sen. Latvala and Rep. Peters Committed to Homelessness Funding

On Wednesday, September 25, 2013, Sen. Latvala called an informal meeting to express his commitment to advance funding for programs addressing homelessness. Rep. Kathleen Peters echoed this commitment and pledged to sponsor whatever legislative measure is developed in the House of Representatives.

Sen. Latvala expressed serious concerns about how appropriations for homelessness programs were vetoed and the resulting inconsistency and uncertainty in services. Similar concerns were raised by stakeholders, who were pleased with the promise of a more comprehensive and predictable effort on homelessness. Sen. Latvala and Rep. Peters agreed that securing a stable and

dedicated revenue source is the biggest political hurdle. Several ideas discussed included growth in the documentary stamp tax, increased tax incentives for private donations, local option taxes, and re-funding authorized programs that were defunded during the recession. Sen. Latvala requested input from stakeholders and to spread the word about his next meeting during the October committee week.

Local Business Tax and Remote Sales Tax Collection Discussions Begin

The House Subcommittee on Finance and Tax entertained informational presentations on the Local Business Tax and Remote Commerce Taxation issues. While the presentations by professional staff were intended to be purely informational, it was clear the failure to reform these tax systems last session was fresh on the collective mind of the committee. The Chair's perspective on reforms was couched in the understanding that his committee would need to engage the Senate and the Governor's Office before investing too much time in any given direction. Despite the Chair's earnest interest in these issues, he was noncommittal on the appropriate direction. He made it clear that he wants all stakeholders ready to have productive and constructive conversations.

Committee members are expected to return for the October committee week prepared to make reform suggestions and entertain other member proposals. It is clear that counties will need to be vigilant and prepared to make productive recommendations with respect to the Local Business Tax. Chair Workman tasked members to bring tax cut ideas that would parallel the Governor's recent announcement to cut \$500 million in taxes in fiscal year 2014.

Gaming Gets Attention Early

This week, the Senate Gaming Committee heard an overview of the first of three commissioned studies of gaming in Florida. This particular study, titled "Assessment of the Florida Gaming Industry and its Economic Effects," offers a overview of the current gaming atmosphere in the state. The study compares numerous elements of Florida's gaming market, such as types of gaming available, the number of residents who gamble or have gambled, tax rates, licensure, differences in wagering, and comparisons to other states. The report does not make any policy recommendations, but only examines the facts regarding the industry. The Committee expects the next report by October 1, 2013. This particular report will examine the societal costs of expanded gaming in the State of Florida.

The Committee will also travel the state in the upcoming months of October and November. On Wednesday, October 23, 2013 from 4:00 – 7:00 PM, the Committee will hold its first public workshop at Broward College, North Campus, OMNI Auditorium 1000 Coconut Creek Boulevard, Coconut Creek, FL 33066.

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