

**Town Commission Meeting
September 26, 2023**

AGENDA ITEM 7: BUSINESS IMPACT ESTIMATE POLICY

INFORMATION ONLY

ACTION REQUESTED

ISSUE: The Town Commission will consider approval of a Resolution adopting a Business Impact Estimate Policy pursuant to Section 166.041(4), Florida Statutes (2023).

ATTACHMENTS:

Resolution No. 23-27

ANALYSIS: Effective October 1, 2023, CS/CS/SB 170, Chapter 2023-309, Laws of Florida, amends Section 166.041 of the Florida Statutes to require preparation of a "business impact estimate" before adoption of a new municipal ordinance. A "business impact estimate" is a written document that contains specific information relevant to the local business community such as:

- A summary of the proposed new municipal ordinance
- An estimate of the direct economic impact of the proposed new municipal ordinance on private, for-profit, businesses;
- An estimate of direct compliance costs that businesses may incur if the proposed new municipal ordinance is adopted;
- Identification of new charges and fees imposed on businesses subject to the proposed new municipal ordinance;
- An estimate of expected regulatory costs and revenues; and
- A good faith estimate of the number of businesses impacted by the proposed new municipal ordinance.

The new business impact estimate statute does not apply to several categories of municipal ordinances such as: (a) ordinances required for compliance with state or federal law; (b) ordinances relating to debt; (c) ordinances relating to the adoption of budgets and revenue sources; (d) ordinances required to implement a contract or agreement; (e) emergency ordinances; (f) procurement ordinances; and (g) ordinances that implement growth policy, planning and land development regulation. The new statute also does not apply to ordinances that implement the Florida Building Code or the Florida Fire Prevention Code.

To ensure compliance with the new business impact estimate statute, a "Business Impact Estimate Policy" has been drafted and attached to proposed Resolution 23-27 as Exhibit

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"A". The policy tracks the language of CS/CS/SB 170 and would require that a business impact estimate be prepared for every non-exempt ordinance introduced before the Town Commission after October 1, 2023. The policy also fills in certain gaps left in the statutory language and requires estimates of economic impact, compliance costs, charges or fees, regulatory costs, revenues, and likely number of impacted businesses generated by Town Staff to be the product of reasonable and honest efforts (i.e., a "good faith" effort) to convey appropriate and relevant information.

The policy would also require private parties that propose, request, or sponsor a new non-exempt municipal ordinance to generate a business impact estimate at private expense or permit assessment and payment of a "pass through charge" equal to the Town's cost to generate an estimate at public expense. The policy reserves authority to the Town Commission to waive a pass through charge in its discretion.

STAFF RECOMMENDATION: (a) Approve Resolution 23-27; (b) Establish the Business Impact Estimate Policy; and (c) Authorize the Mayor and other Town officials to execute the same, and the Town Manager and/or her designee to take all other necessary actions related thereto.