

Extended Session Report

May / June 2025

EXTENDED REGULAR SESSION AND BUDGET UPDATE: As noted in earlier reports, the Florida Legislature has not yet passed a state budget. The Regular Legislative Session, which was scheduled to end at midnight May 2nd, was extended to June 6th. The Florida House has voted to extend through to June 30th, but to make the extension official, the Florida Senate would have to vote to do the same, and to date, has not.

There continues to be an unresolved dispute over levels of tax cuts to make and spending priorities. The House and Senate individually proposed budgets total approximately \$4 billion apart (\$112.95 billion vs. \$117.36 billion), with tax reductions as the primary sticking point. Without this, allocations cannot be set. Allocations are the first step of the budget conference, and are the total dollar amount allowed for each section of the budget. (Health Care, Education, Environment, as examples). Without allocations the budget conference cannot begin.

The original House Concurrent Resolution which extended the regular session, <u>only</u> carries forward for consideration the following: the General Appropriations Act (the state budget), budget implementing bills, budget conforming bills, the Senate President's priority SB110 which is the rural communities bill, and the taxation/tax reduction bill.

All other bills that have not passed at this point are withdrawn from consideration and will not be heard.

The Speaker and Senate President have not announced a budget conference as of today. As noted, a budget must be finalized prior to the next state fiscal year which begins on July 1, 2025.

FUNDING REQUEST UPDATE: Without a budget, there is no funding request update. The funding request update sent on 4/9 remains the same and is included below.

**Procedurally, since only one of the two requests has funding in one or the other of the two pre-conference budgets, only that one remains active to carry forward for final funding. We continue throughout to advocate for full funding of the Stormwater System Rehabilitation Phase 3 project and will continue to do so through the remainder of the budget process and budget conference.

Funding Request	Senate Amount	House Amount
Loxahatchee Groves Stormwater System Rehabilitation Phase 3(SF 1532, HF 2593)Requested: \$750,000Match: 50%Sponsors: Senator Harrell, Representative Weinberger	-	\$375,000 Budget Line 1555
Loxahatchee Groves Canal Pumps, Weirs, and Gate UpgradesRequested: \$750,000Match: 50%Sponsors: Senator Harrell, Representative Weinberger	-	-

LEGISLATIVE UPDATE: We have worked throughout to advocate on behalf of the Town of Loxahatchee Groves, and continue to do so going forward through the extended Session.

BILLS INCLUDED IN THE EXTENDED SESSION

- <u>Sales Tax Rate Reduction</u>: HB 7031 Speaker Perez has included a .75% sales tax reduction overall, to in turn meet his goal of lowering state spending. As previously reported, the State economists predict an economic downturn in the next 3 to 5 years and rather than spend at the current rate, the Speaker has noted it is his responsibility to reduce spending now while it can be done gradually. The House version of the budget is drafted with this funding reduction. The Governor has since made it clear that any sales tax reduction would be vetoed.
- <u>Taxation/Tax Reduction and Tax Holidays:</u> HB 7033 Customarily the omnibus bill that addresses various taxes through cuts or elimination, includes the multiple sales tax holidays, among other issues. This bill would carry forward as part of the extended Session and must be agreed upon by the House and Senate as part of the budget conference.
- **<u>Rural Communities</u>**: SB 110 SB 110 has not passed; however, this bill will be included in the extended Session. It is important to note that while this is a priority of the Senate, if passed, the legislation will be a product of heavy negotiation between the House and Senate. Attached is the Senate summary of the legislation as passed by the Senate.

BILLS THAT DID NOT PASS

• Sovereign Immunity/Suits Against the Government: SB 1570 by DiCeglie/HB 301 by McFarland

DID NOT PASS. After multiple versions of this bill, the last draft would have mandated the following:

- Set limits for individual and multiple related claims from October 1, 2025, to October 1, 2030: \$500,000 per individual claim and \$1 million for multiple claims from the same incident.
- Adjust limits for causes of action from October 1, 2030, onward: \$600,000 for individual claims and \$1.1 million for multiple related claims.
- Local Option Tax: SB 1664 by Trumbull/HB 1221 by Miller

DID NOT PASS. These bills generally would have provided for the following:

- Local discretionary sales surtax, tourist development tax, and local option food and beverage tax in effect on June 30, 2025, requiring a referendum, must be renewed by January 1, 2033.
- New levies of discretionary sales and tourist development taxes subject to referendum have an eight-year maximum limit, except for the .25 percent trauma center surtax (four-year limit in smaller counties) and levies for bond indebtedness.
- A similar eight-year limit applies to the local option food and beverage tax in Miami-Dade
- The changes do not affect the pension liability surtax and the bill would take effect on July 1, 2025.
- Local Business Taxes: SB 1196 by Truenow/HB 503 by Botana:

DID NOT PASS. The general provisions of this bill would have provided that if a local government receives more local business tax revenue than the revenue base allows, the local government must reduce its tax rates and must issue refunds or credits to taxpayers. Also, in the bill, the local business tax rate structures, classifications, and rates would not be able to be increased or changed unless it is for a repeal. The bill does not apply to local governments: that impose a business tax measured by gross receipts from the sale of merchandise or services, or both, to fiscally constrained counties, and to any municipality in a fiscally constrained county, while they continue to qualify the status.

• **Property Tax Elimination:** SB 852 by Martin

DID NOT PASS. The Governor has advocated multiple times that he supports the elimination of property taxes in Florida. Senator Martin filed SB 852 requiring a study on the Elimination of Property Taxes, this bill did not pass. However, the previous report outlined the newly created House Committee on Property Tax, included again below.

House Select Committee on Property Taxes: Speaker Perez created a new House Select Committee on Property Taxes, co-chaired by Representatives Vicki Lopez and Toby Overdorf. The committee will be tasked with reviewing the current state of property taxes in Florida and exploring policy solutions to reduce the financial burden on homeowners. The Select Committee is expected to hold its first meeting on Thursday, May 1st. It was announced that this committee will meet during the interim, and the Speaker has announced plans to pass property tax relief at the start of next Session, which begins on Tuesday, January 13, 2026. It is anticipated that many of the policy concepts considered by the Select Committee will require constitutional amendments, meaning Florida voters would ultimately have the opportunity to approve any proposed changes.

The Select Committee will begin its work by exploring a variety of potential reforms, including:

- Requiring every city, county, and special district to hold a referendum on the question of eliminating property taxes on homestead properties.
- Creating a new \$500,000 homestead exemption, as well as a \$1 million homestead exemption for properties owned by Floridians aged 65 and older, or who have had a homestead for 30 years, applicable to all non-school taxes.
- Authorizing the Legislature to increase the homestead exemption to any value by general law.
- Modifying the assessment increase limitations on property values:
- For homestead properties, changing the cap from the lower of 3% or CPI to a flat 3% over any three-year period for all taxes.
- For non-homestead properties, changing the cap from 10% annually to 15% over any three-year period for all non-school taxes.
- Protecting Homeownership by eliminating the ability to foreclose on a homestead property due to a property tax lien.

No legislation has been filed to date.

• Community Redevelopment Agencies: SB 1242 by McClain

DID NOT PASS. The bill would have provided the following:

- The governing structure of CRAs going forward, when created, the members of the governing body sit as members of the agency.
- Prohibited modification to a community redevelopment plan that expanded the CRA boundaries.
- Prohibited a CRA from expending funds on public areas of hotels, or sponsorship of concerts, festivals, holiday events, parades, or similar activities.
- Terminated CRAs when they reach the time frame set forth to complete all redevelopment provided in the agency's charter, or as may have been extended by ordinance or resolution prior to May 1, 2025.

We expect that this will be addressed again in the 2026 Session.

> BILLS THAT PASSED

Live Local/Affordable Housing/Real Property and Land Use and Development: SB 1730 by Calatayud/HB 943 by Lopez

This legislation aims to streamline affordable housing development across commercial, industrial, and religious institution properties. The legislation addresses the following:

Approval of Land for Affordable Housing:

- Approval of Religious Institutions Land for Affordable Housing
 - Allows affordable housing to be developed not only on commercial or industrial land, but also on any parcel, including contiguous parcels, owned by a religious institution with a house of worship, regardless of the existing zoning.
- Expands the Live Local Act applicability to portions of any flexibly zoned area such as a planned unit development permitted for commercial, industrial, or mixed use.
- Exempts Wekiva Protection Area and Everglades Protection Area from the Live Local Act effective upon becoming law

Development Approval and Local Government Restrictions:

- A county and city cannot require a multifamily development to seek zoning changes, special approvals, variances, transfers of density or development units, amendment to a development of regional impact, amendment to a municipal charter, or comprehensive plan amendments for the building height, zoning, or density allowed.
- Any proposed development must be administratively approved without needing further board or committee action, as long as it meets the local government's land development regulations (like setbacks and parking) and is consistent with the comprehensive plan, except for density, height, floor area ratio, and land use provisions.
- Local governments must approve demolitions for proposed developments if they meet all state and local rules, without requiring additional board review.
- Allows local governments to approve adjacent parcels within multifamily developments regardless of local land development regulations
- Local governments, upon request of an applicant, must reduce parking requirements by 15% for a proposed development
- A local government may not impose a building moratorium that delays permitting or construction of authorized multifamily or mixed-use residential developments.
 - However, a 90-day moratorium is allowed once every three years if the county conducts and publishes an affordable housing needs assessment beforehand.
 - Civil suits for violations award attorney fees (capped at \$250,000) to the prevailing party.
 - Moratoria for stormwater, potable water, or sewer repairs are exempt if applied equally to all developments.

Building Standards and Definitions:

- Clarifies that the highest currently allowed height, density, and floor area ratio restrictions are as of July 1, 2023
 - Clarifies that the term "floor area ratio" includes floor lot ratio and lot coverage.
 - The allowed building height is either the local govt's regulated height or 3 stories, whichever is greater, but cannot exceed 10 stories.
 - Clarifies that adjacent refers to properties that share a property line, but not those separated by a road or body of water.
 - In areas designated as areas of critical state concern as designated by s. 380.0552 or chapter 28-36, Florida Administrative Code (the Florida Keys), only habitable space above the FEMA base flood elevation counts as a "story," with each story limited to 10 feet in height floor-to-floor, and the top story limited to 10 feet from floor to top plate.
- Allowable density refers to the density assigned to a property under this subsection, without needing to obtain or transfer extra density or development units from other properties.
- Defines Commercial Use, Industrial Use, Mixed Use, Highest currently allowed, or allowed on July 1, 2023, and Planned Unit Developments (starts on line 474)

Mixed-Use Project Requirements:

• Prohibits local governments from requiring that more than 10% of the total square footage of such mixeduse residential projects be used for nonresidential purposes.

Legal Actions and Reporting:

- Civil actions against a county for violating this subsection must be prioritized by the court, and the prevailing party is entitled to reasonable attorney fees and costs, capped at \$250,000, excluding fees related to litigating the fee award itself.
- Starting November 1, 2026, local governments must submit annual reports to the state land planning agency detailing litigation and projects under subsection (7), including project size, density, and affordable housing details. The state agency must compile and send this information to the Governor and legislative leaders by February 1 each year.
- Applicants who submitted development requests before July 1, 2025, can choose to proceed under the laws in effect at the time of their submission and may update their applications to reflect changes in this bill.

Workforce Housing:

- Public sector and hospital employer-sponsored housing
 - The Legislature establishes a policy to support affordable workforce housing for employees of hospitals, health care facilities, and government entities, allowing developers using specific funding sources to give housing preference to these employees, in line with federal tax credit rules

Historic Buildings and Districts:

Senator Jones, Representative Lopez, on behalf of Representative Basabe, amended the bill in its last iteration to specifically address historic districts such as the Ocean Drive historical district on Miami Beach (among other historic districts) where individual buildings are not designated, but are through the district. The language would address the following:

- Allows the local government to restrict proposed development of building height on parcels with structures in historic districts.
- Ensures historic structures are not demolished without appropriate oversight or procedural review.
- Sets height limits near historic properties to the highest allowable within 3/4 miles rather than one mile.
- Allows the municipality to administratively require the proposed development to comply with local regulations relating to architectural design such as façade replication, with some restrictions.
- Requires administrative approval for demolitions associated with qualifying developments if compliant with regulations.
- Keeps tiered parking reduction levels and emphasizes that available nearby parking cannot be counted against the required reduction.

Emergency Preparedness: SB 180 by DiCeglie

PASSED. This comprehensive legislation addresses emergency preparedness by local authorities. Two key provisions are of specific concern to local governments:

Key Provisions

- Moratorium and Regulation Ban
 - For one year after a hurricane makes landfall, any county under a federal disaster declaration—or municipality within such a county—located wholly or partly within 100 miles of the hurricane's track is prohibited from:
 - Proposing or adopting a moratorium on construction or redevelopment.
 - Enacting more restrictive or burdensome regulations or procedures related to land development.

• Retroactive and Extended Application

For Hurricanes Debby, Helene, and Milton, these prohibitions are more expansive:

• The ban on new moratoriums and stricter regulations applies until October 1, 2027 and are retroactive to August 1, 2024.

• Legal Challenge Mechanism

If a local government enacts a prohibited measure, any affected party (including developers, residents, or business owners) can:

- File suit for declaratory and injunctive relief.
- Recover reasonable attorney fees and costs if they prevail.
- Before filing suit, the plaintiff must give the local government 14 days to rescind or void the action.

Additional Provisions

Permit and Inspection Fees

• Local governments cannot increase building permit or inspection fees for 180 days after a hurricane or tropical storm emergency declaration by the Governor or federal government.

Home Rebuilding Guidelines

- Homeowners may increase residence size up to 2,000 sq ft (previously 1,500 sq ft) or up to 130% (previously 110%) of pre-damage size before triggering new tax assessments.
- Prohibits local cumulative repair "lookback periods"; focuses on substantial damage from the current event, not repair history.

Streamlined Permitting and Restoration

- Requires local governments to post and annually update a recovery permitting guide detailing permit requirements, post-storm application process, and local rebuilding rules.
- Mandates annual post-storm permitting plans, including:
 - Special building permits and inspection procedures
 - Sufficient personnel and mutual aid agreements for post-storm recovery
 - Multiple in-person permit service locations
 - Expedited permitting protocol and, if possible, fee waivers or reductions
 - Extra staff for permit processing after a declared disaster

Florida National Guard Medical Services and Training for Local Officials

- Allows trained servicemembers assigned to medical duty to provide care within their licensure scope to military and civilians during emergencies or disasters.
- DEM to establish biennial training requirements for local officials with emergency management roles.
- Mandatory training for local elected and appointed leaders.

Pre-Season Readiness

- DEM to conduct annual regional sessions by April 1.
- Attendance required for local emergency management directors or designees.
- Sessions cover preparation timelines, expedited rebuilding, and coordination best practices.

Shelter Planning and Reporting

- Combines shelter reporting into one annual report with plan, needs, and priority facility list.
- Shelter retrofit list to prioritize non-school public facilities and address county-level shelter deficits.
- Department of Health and Agency for Persons with Disabilities to assist DEM in planning for shelter space for people with disabilities, including autism.
- Shelter retrofit funds (\$3 million/year) prioritized for publicly owned, non-school buildings to reduce reliance on schools and address county shelter deficits.

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