

HOUSE OF REPRESENTATIVES STAFF FINAL BILL ANALYSIS

BILL #: CS/CS/HB 1419 Department of Commerce

SPONSOR(S): Commerce Committee and Infrastructure & Tourism Appropriations Subcommittee, Tuck and others

TIED BILLS: IDEN./SIM. BILLS: CS/CS/SB 1420

FINAL HOUSE FLOOR ACTION: 104 Y's

9 N's

GOVERNOR'S ACTION: Approved

SUMMARY ANALYSIS

CS/CS/HB 1419 passed the House on March 6, 2024, as CS/CS/SB 1420.

The bill provides for the following changes that impact the Department of Commerce (Commerce):

- Requires Commerce to establish a Florida defense support direct-support organization (DSO) to replace the Florida Defense Support Task Force, providing for organizational composition of the DSO, revising its mission, requiring the DSO to contract with Commerce, and providing a repeal date of October 1, 2029.
- Provides that if a local government does not meet specified deadlines within the comprehensive plan amendment process, the amendment is deemed withdrawn.
- Provides that a citizen-led county charter amendment that is not required to be approved by the board of county commissioners preempting and development order, land development regulation, comprehensive plan, or voluntary annexation is prohibited unless expressly authorized in a county charter in effect before January 1, 2024.
- Removes a requirement that the Florida Sports Foundation must continue amateur sports programs previously conducted by an entity that no longer exists in statute.
- Extends the repayment period of the Local Government Emergency Revolving Bridge Loan Program to 10 years and authorizes Commerce to amend existing loans executed before February 1, 2024, to increase the loan term to 10 years from the original date of execution.
- Creates a Supply Chain Innovation Grant Program within Commerce, and requires Commerce to jointly select grants with the Florida Department of Transportation.
- Revises the term "businesses" to include healthcare facilities and allied health care opportunities, and revises the funding priority purposes to provide that certain nonprofit or local government health care facilities are eligible for funding under the Incumbent Worker Training Program.
- Specifies that board members required by the Workforce Innovation and Opportunity Act are voting members of the state workforce development board.
- Specifies that a homeowner's association's proposed revived governing documents must be submitted to Commerce within 60 days after obtaining certain consent or approval from certain parcel owners.

The bill does not appear to have a fiscal impact on state or local government expenditures or state government revenues. The bill may impact local government revenues. See Fiscal Analysis & Economic Impact Statement.

The bill was approved by the Governor on June 13, 2024, ch. 2024-234, L.O.F., and will become effective on July 1, 2024, except as otherwise provided.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

Florida Defense Support Task Force

Present Situation

In 2011,¹ the Legislature created the Florida Defense Support Task Force (Task Force) with the mission to make recommendations to preserve and protect military installations to support the state's position in research and development related to or arising out of military missions and contracting, and to improve the state's military-friendly environment for servicemembers, military dependents, military retirees, and businesses that bring military and base-related jobs to the state.²

The task force is comprised of the Governor, or his or her designee, and 12 members comprised of four members appointed by the Governor, President of the Senate, and Speaker of the House of Representatives, respectively. Task Force members represent defense-related industries or communities that host military bases and installations.³ With the exception of Legislative members, Task Force members serve for a term of four years. Vacancies are to be filled for the remainder of the unexpired term in the same manner as the initial appointment. Legislative members serve until the expiration of their legislative term and may be reappointed once. All members are eligible for reappointment.⁴ The President and the Speaker each designate one of their appointees to serve as chair and the chair must rotate each July 1.⁵ The Secretary of the Department of Commerce, or his or her designee, serves as the ex officio, nonvoting executive director.⁶

The Department of Commerce (Commerce) is required to contract with the task force for the expenditure of appropriated funds, which may be used by the task force for:

- Economic and product research and development;
- Joint planning with host communities to accommodate military missions and prevent base encroachment;
- Advocacy on the state's behalf with federal civilian and military officials;
- Assistance to school districts in providing a smooth transition for large numbers of additional military-related students;
- Job training and placement for military spouses in communities with high proportions of active duty military personnel; and
- Promotion of the state to military and related contractors and employers.⁷

The Task Force must submit an annual progress report and work plan to the Governor, the President, and the Speaker each February 1.⁸

Effect of the Bill

The bill requires Commerce to establish a direct-support organization (DSO) to support Florida's military and defense industries and communities, and renames the Florida Defense Support Task

¹ Chapter 2011-76, s. 38, Laws of Fla.

² Section 288.987(2), F.S.

³ Section 288.987(3), F.S.

⁴ Section 288.987(3), F.S.

⁵ Section 288.987(4), F.S.

⁶ Section 288.987(5), F.S., actually states that the Secretary of Economic Opportunity serves as the ex officio, nonvoting executive director; however, HB 5 from 2023 (enacted as Chapter 2023-173, Laws of Fla.) changed the name of the Department of Economic Opportunity to the Department of Commerce.

⁷ Section 288.987(7), F.S.

⁸ Section 288.987(6), F.S.

Force as the DSO. The DSO must operate under a contract with Commerce which must provide that:

- Commerce may review the DSO's articles of incorporation;
- The DSO must submit an annual budget proposal to Commerce;
- Any DSO funds held in a trust must revert to the state upon the expiration or cancellation of the contract; and
- The DSO is subject to an annual compliance review by Commerce.

Commerce must determine and annually certify that the DSO is complying with the terms of the contract and is doing so consistent with the goals and purposes of the organization and in the best interests of the state.

The bill states that the DSO fiscal year begins on July 1 and ends on June 30 of the next succeeding year. By August 15 of each fiscal year, Commerce must submit a proposed operating budget for the DSO to the Governor, the President, and the Speaker. The DSO must also provide an annual financial audit.

The bill specifies that, under certain provisions of law, the DSO is not an agency for purposes of leasing buildings or for bids for printing. However, the DSO must comply with per diem and travel expense requirements. Commerce may allow the DSO to use the property, facilities, personnel, and services of Commerce if the DSO provides equal employment opportunities to all persons regardless of race, color, religion, sex, or national origin.

The bill revises the mission of the DSO. In addition to carrying out the provisions of the Task Force under current law, the DSO must assist with the coordination of economic and workforce development efforts in military communities and assist in the planning and research and development related to military missions, businesses, and military families. Additionally, the DSO is organized and operated to:

- Request, receive, hold, invest, and administer property;
- Manage and make expenditures related to its mission and for joint planning with host communities to accommodate military missions and prevent base encroachment;
- Advocate on the state's behalf with federal civilian and military officials;
- Promote of the state to military and related contractors and employers; and
- Support economic and product research and development activities of the defense industry.

As necessary and requested by Florida is for Veterans, Inc., the DSO may undertake such activities that assist the corporation with job training and placement for military spouses in communities with high proportions of active duty military personnel. Similarly, as necessary and requested by the Department of Education, school districts, or Florida College System institutions and state universities, the DSO may undertake activities that assist in providing a smooth transition for dependents of military personnel and other military students. The DSO may complement, but not supplant, the activities of other state entities.

Under the bill, the DSO must be governed by a board of directors composed of the Governor, or his or her designee, four members appointed by the Governor, the President of the Senate, and the Speaker of the House of Representatives. All appointments in place as of July 1, 2024, must continue in effect until the expiration of the term. The President of the Senate and the Speaker of the House of Representatives must each appoint a current member who will serve as an ex officio, nonvoting member until the expiration of the member's legislative term. The member may be reappointed once. The bill removes from current law clarifying language that all members are eligible for reappointment. Additionally, the Executive Director of the Florida Department of Veterans' Affairs and the Adjutant General of the Florida National Guard, or their designees, must serve as ex officio, nonvoting members. The President of the Senate and the Speaker of the House of Representatives each designate one of their appointees to serve as chair for a 2-year term and the chair must rotate on July 1 of each even-numbered year.

The bill specifies that employees and appointed board members, in their capacity of service on the board, are not public employees for purposes of chapter 110 or chapter, 112, F.S. However, employees and board members are subject to s. 112.061, F.S., relating to reimbursement for travel and per diem exempts incurred while performing duties, and the code of ethics under chapter 112, F.S. Otherwise, each board member must serve without compensation.

In the performance of its duties, the bill authorizes the DSO to make and enter into contracts as necessary to carry out its mission. A proposed contract with a total cost of \$750,000 or more is subject to the noticing, review, and objection procedures provided in current law. The DSO may not divide one proposed contract with a total cost of \$750,000 or more into multiple contracts to circumvent the prohibition. If the contract is contrary to legislative policy and intent, the DSO is prohibited from entering into such contract.

The DSO is also authorized to establish grant programs and administer grant awards to support its mission. The DSO must publicly adopt guidelines and application procedures, as well as publish such guidelines, procedures, and awards on its website. The DSO may assist Commerce with any statutorily established grants or other programs as requested and necessary, but may not administer such grants on behalf of Commerce.

The bill changes the due date for an annual report from February 1 to November 1, which may be included in the annual report of Commerce.

Under the bill, unless the section establishing the DSO is reviewed and saved from repeal by the Legislature, the DSO is repealed on October 1, 2029.

Florida Defense Support Task Force Public Records and Meetings Exemption

Present Situation

Current law provides a public record exemption for certain records held by the Task Force. Specifically, the following records are exempt⁹ from public records requirements:¹⁰

- That portion of a record that relates to strengths and weaknesses of military installations or military missions in Florida relative to the selection criteria for the realignment and closure of military bases and missions under the United States base realignment and closure (BRAC) process.
- That portion of a record that relates to strengths and weaknesses of military installations or military missions in other state or territories and the vulnerability of such installations or missions to base realignment or closure under the United States BRAC process, and any agreements or proposals to relocate or realign military units and missions from other states or territories.
- That portion of a record that relates to Florida's strategy to retain its military bases during any United States BRAC process and any agreements or proposals to relocate or realign military units and missions.

Current law also provides a public meeting exemption for any portion of a meeting of the Task Force, or a workgroup of the Task Force, wherein such exempt records are presented or discussed.¹¹ In addition,

⁹ There is a difference between records the Legislature designates exempt from public record requirements and those the Legislature designates confidential and exempt. A record classified as exempt from public disclosure may be disclosed under certain circumstances. See *WFTV, Inc. v. Sch. Bd. of Seminole*, 874 So.2d 48, 53 (Fla. 5th DCA 2004), review denied, 892 So.2d 1015 (Fla. 2004); *State v. Wooten*, 260 So. 3d 1060, 1070 (Fla. 4th DCA 2018); *City of Rivera Beach v. Barfield*, 642 So.2d 1135 (Fla. 4th DCA 1994); *Williams v. City of Minneola*, 575 So.2d 683, 687 (Fla. 5th DCA 1991). If the Legislature designates a record as confidential and exempt from public disclosure, such record may not be released by the custodian of public records to anyone other than the persons or entities specifically designated in statute. See Op. Att'y Gen. Fla. 04-09 (2004).

¹⁰ S. 288.985(1)(a)-(c), F.S.

¹¹ S. 288.985(2), F.S.

any records generated during the closed portion of the meeting are exempt from public record requirements.¹²

Effect of the Bill

The bill makes conforming changes to the public records exemption by changing the custodian of the records to the direct-support organization created in s. 288.987, F.S.

Comprehensive Plans/State Land Planning Agency

Present Situation

Comprehensive Plans

The Community Planning Act (Act), codified in Part II of Ch. 163, F.S., promotes the establishment and implementation of comprehensive planning programs to guide and manage a local government's development.¹³ Through the comprehensive planning process, the Legislature intended that local governments:

- Preserve, promote, protect, and improve public health, safety, comfort, good order, appearance, convenience, law enforcement and fire prevention, and general welfare;
- Facilitate the adequate and efficient provision of transportation, water, sewerage, schools, parks, recreational facilities, housing, and other requirements and services; and
- Conserve, develop, utilize, and protect natural resources within their jurisdictions.¹⁴

To that end, the Act requires each local government to adopt and maintain a comprehensive plan that must provide the principles, guidelines, standards, and strategies for the orderly and balanced future economic, social, physical, environmental, and fiscal development of the area.¹⁵ Specifically, the comprehensive plan must:

- Identify programs and activities for ensuring the comprehensive plan's implementation;
- Establish meaningful and predictable standards for land use and development and meaningful guidelines for the adoption of detailed land development regulations;¹⁶ and
- Consist of elements set out in statute that must be based upon relevant and appropriate data and an analysis by the local government that may involve surveys, studies, community goals and vision, and other data available at the plan's adoption or amendment.¹⁷

Commerce is the state land planning agency that administers these provisions.¹⁸ Current law requires cooperation between Commerce, any ad hoc working groups appointed by Commerce, state and regional agencies involved in the administration and implementation of the Community Planning Act, and units of local government in the preparation and adoption of comprehensive plans, or elements or portions thereof, and of local land development regulations.¹⁹

Comprehensive Plan Adoption

¹² S. 288.985(3), F.S.

¹³ S. 163.3161(2), F.S.

¹⁴ S. 163.3161(4), F.S.

¹⁵ S. 163.3177(1) and (2), F.S.

¹⁶ "Land development regulations" means ordinances enacted to regulate any land development aspect, including zoning, rezoning, subdivision, building construction, and sign regulation. Within one year after submitting a new or revised comprehensive plan, a local government must adopt or amend and enforce land development regulations that are consistent with the plan. S. 163.3164(26), F.S.

¹⁷ A comprehensive plan may also consist of optional elements. S. 163.3177(1), F.S.

¹⁸ S. 163.3221(14), F.S.

¹⁹ S. 163.3204, F.S.

Each of Florida's counties and municipalities has a comprehensive plan.²⁰ However, a newly-incorporated municipality must follow the state coordinated review process to adopt a comprehensive plan, which begins with an initial public hearing during which the municipality's governing body decides whether to transmit the plan to the reviewing agencies;²¹ such decision must be by an affirmative vote of at least a majority of the governing body's members present at the hearing.²² The municipality must then, within 10 working days of the hearing, transmit the proposed comprehensive plan to:

- The reviewing agencies for comment or, if the reviewing agency is the state land planning agency, for the production of the state land planning agency's statutorily-required report;²³ and
- Any other local government or government agency that filed a written request for a copy of the plan with the municipality.²⁴

Within 180 days after receipt of the state land planning agency's report, the municipality must hold a second public hearing to determine whether to adopt the comprehensive plan; such determination must be by an affirmative vote of at least a majority of the governing body's members present at the hearing.²⁵ An adopted comprehensive plan, along with the supporting data and analyses, must be transmitted within 10 working days of the adoption hearing to the state land planning agency and any other agency or local government that provided timely comments.²⁶ The state land planning agency then reviews the package for completeness and publishes a notice of intent to find that the plan complies or does not comply with the Act.²⁷ A comprehensive plan takes effect pursuant to the notice of intent.²⁸

Comprehensive Plan Amendments

Comprehensive plan amendments are generally governed by the state expedited review process, which typically begins with an initial public hearing when the local government's governing body decides whether to transmit the proposed amendment to the reviewing agencies. Such decision must be by an affirmative vote of at least a majority of the governing body's members present at the hearing.²⁹ Within 10 working days of such hearing, the local government must transmit the plan amendment and appropriate supporting data and analyses to the reviewing agencies for expedited comment³⁰ and to any other local government or governmental agency that filed a written request for such transmittal with the local government.³¹ Interested persons may also provide the local government with written or oral comments, recommendations, or objections to the plan amendment.³²

²⁰ For the purposes of the Act, a county's authority extends to the total unincorporated area under its jurisdiction and to such unincorporated areas not included in a joint agreement with a municipality. A municipality's authority extends to the total area under its jurisdiction and adjacent unincorporated areas included in a joint agreement with the county. S. 163.3171(1) and (2), F.S.; Fla. Dept. of Environmental Protection, *Comprehensive Plan*, <https://floridadep.gov/oip/oip/content/comprehensive-plan> (last visited Jan. 27, 2024).

²¹ "Reviewing agencies" means the state land planning agency; the appropriate regional planning council and water management district; the Florida Departments of Environmental Protection, State, and Transportation; the Florida Department of Education, if the plan amendment relates to public schools; the commanding officer of any affected military installation; the Florida Fish and Wildlife Conservation Commission and Department of Agriculture and Consumer Services, in the case of county plans and plan amendments; and the county in which the municipality is located, in the case of municipal plans or plan amendments. S. 163.3184(1), F.S.

²² S. 163.3184(2), (4), and (11), F.S.

²³ If the state land planning agency reviews a proposed comprehensive plan, it must issue a report stating its objections, recommendations, and comments about the plan within 60 days of the plan's transmission to the agency. The state land planning agency is the Department of Economic Opportunity. S. 163.3184(4), F.S.; Fla. Dept. of Economic Opportunity, *Community Planning, Development, and Services*, <https://floridajobs.org/community-planning-and-development> (last visited Jan. 27, 2023).

²⁴ S. 163.3184(4), F.S.

²⁵ S. 163.3184(4) and (11), F.S.

²⁶ S. 163.3184(4), F.S.

²⁷ *Id.*

²⁸ *Id.*

²⁹ The state coordinated review process applies to plan amendments that are in an area of critical state concern; propose a rural land stewardship area; propose a sector plan or an amendment to an adopted sector plan; or update a comprehensive plan based on an evaluation and appraisal. S. 163.3184(4) and (11), F.S.

³⁰ The expedited review process is set out in s. 163.3184(3), F.S.

³¹ S. 163.3184(3), F.S.

³² *Id.*

Within 180 days after receipt of agency comments, the local government must hold a second public hearing to determine whether to adopt the plan amendment.³³ However, where the proposed plan amendment is a small-scale development amendment,³⁴ the local government must hold only the public adoption hearing; an initial public hearing is not required.³⁵ In either case, plan amendment adoption must be by an affirmative vote of at least a majority of the governing body's members present at the hearing, and failure to hold a timely adoption hearing causes the amendment to be deemed withdrawn unless the timeframe is extended by agreement with specified notice to the state land planning agency and other parties.³⁶

Within 10 working days of the adoption hearing, the local government must transmit the plan amendment to the state land planning agency and any affected person who provided timely comments on the amendment.³⁷ The state land planning agency must review the amendment package for any deficiencies and send notice of such deficiencies to the local government within five working days of receipt of the amendment package.³⁸ If no deficiencies are found, the amendment takes effect 31 days after the state land planning agency notifies the local government that the amendment package is complete.³⁹

Effect of the Bill

The bill provides that if the local government does not hold a second public hearing and adopt a comprehensive plan amendment within 180 days after Commerce provides comments, the amendment is deemed withdrawn.

The bill provides that if the local government fails to transmit the comprehensive plan amendment to Commerce within 10 working days after the final adoption hearing, the amendment is deemed withdrawn.

Under the bill, a citizen-led county charter amendment that is not required to be approved by the board of county commissioners preempting any development order, land development regulation, comprehensive plan, or voluntary annexation is prohibited unless expressly authorized in a county charter in effect on January 1, 2024.

Florida Sports Foundation

Present Situation

The Florida Sports Foundation is a 501(c)(3) non-profit corporation, serving as the official sports promotion and development organization for the State of Florida. It is charged with the promotion and development of professional, amateur, and recreational sports, physical fitness opportunities, and assisting communities and host organizations in attracting major and minor sports events to help produce a thriving Florida sports industry and environment.⁴⁰ Under its duty to promote amateur sports and physical fitness, the Florida Sports Foundation must continue the successful amateur sports programs previously conducted by the Florida Governor's Council on Physical Fitness and Amateur Sports.⁴¹

³³ *Id.*

³⁴ A "small-scale development amendment" involves a use of 50 acres or fewer; only proposes a land use change to the future land use map for a site-specific small-scale development activity; and applies to property not located within an area of critical state concern, absent an exception related to affordable housing development. *Id.*

³⁵ Ss. 163.3184(2) and 163.3187(2), F.S.

³⁶ S. 163.3184(3), (4), and (11), F.S.

³⁷ *Id.*

³⁸ *Id.*

³⁹ *Id.*

⁴⁰ S. 288.1229, F.S.

⁴¹ S. 288.1229(7)(g), F.S.

Effect of the Bill

The bill removes an outdated requirement that the Florida Sports Foundation must continue amateur sports programs previously conducted by the Florida Governor's Council on Physical Fitness and Amateur Sports.

Supply Chain Innovation Grant Program

Current Situation

Efforts have been made by state agencies, such as Commerce and the Florida Department of Transportation to strengthen Florida's supply chain.

For example, FDOT has an assistant secretary that is directly responsible for providing the Executive Office of the Governor with investment opportunities and transportation projects that expand the state's role as a global hub for trade and investment and enhance the supply chain system in the state to process, assemble, and ship goods to markets throughout the eastern United States, Canada, the Caribbean, and Latin America.⁴² In addition, Commerce provides programs, such as the Job Growth Grant Fund, to support Florida's economic growth and supply chain.

The five industry clusters below were identified by Commerce for economic growth in Florida. Each of these industries rely heavily on freight transportation systems and a strong supply chain⁴³:

- 1) Cleantech,
- 2) Life Sciences,
- 3) Aviation/Aerospace,
- 4) Logistics and Distribution, and
- 5) Defense and Homeland Security.

Effect of the Bill

The bill creates the Supply Chain Innovation Grant Program within Commerce to fund, subject to appropriation by the Legislature, proposed projects that support supply chain innovation. Awardees under this program must be selected jointly by Commerce and FDOT, and grants awarded under the program must be administered by Commerce. Commerce is authorized to adopt rules to implement the program.

Commerce must accept applications from ports,⁴⁴ class I, II, or III freight railroads, public airports, and intermodal logistics centers or inland ports.⁴⁵

Commerce must collaborate with the FDOT to review applications and select projects for awards that create strategic investments in infrastructure to increase capacity and address freight mobility to meet the economic development goals of the state. Priority must be given to projects with innovative plans,

⁴² S. 20.23(1)(d), F.S.

⁴³ FDOT, *Florida Supply Chain Management*, <https://www.fdot.gov/docs/default-source/planning/systems/programs/mspi/pdf/Freight/Florida-Supply-Chain-Management-Exec-Summary.pdf> (last visited Mar. 13, 2024).

⁴⁴ Ports include Jacksonville, Port Canaveral, Port Citrus, Fort Pierce, Palm Beach, Port Everglades, Miami, Port Manatee, St. Petersburg, Putnam County, Tampa, Port St. Joe, Panama City, Pensacola, Key West, and Fernandina. Section 311.09(1), F.S.

⁴⁵ Intermodal logistics center, including, but not limited to, an inland port, means a facility or group of facilities serving as a point of intermodal transfer of freight in a specific area physically separated from a seaport where activities relating to transport, logistics, good distribution, consolidation, or value-added activities are carried out and whose activities and services are designed to support or be supported by conveyance or shipping through one or more seaports. Section 311.101(2), F.S.

advanced technologies, and development strategies that focus on future growth and economic prosperity of the supply chain across the state.

Commerce, in consultation with the FDOT, must adopt selection criteria that includes, but is not limited to, consideration of the project's:

- Consistency with plans and studies produced by Commerce, the FDOT, or another state entity;
- Direct increase in efficiency in the delivery of goods;
- Improvement of freight mobility access while reducing congestion, which may include overnight truck parking at rest areas, weigh stations, and intermodal logistics centers;
- Increase of fuel storage and distribution capacity across the state, including, but not limited to, petroleum, hydrogen, ethanol, and natural gas located at seaports and spaceports;
- Ability to secure a sustainable logistics transportation network throughout this state;
- Development of connections to multimodal transportation systems; and
- Ability to address emerging supply chain and transportation industry challenges.

Commerce may also consider applications for funding submitted by public and private entities seeking to develop and establish vertiports in this state. The bill defines the term “vertiport” as a system or infrastructure with supporting services and equipment used for landing, ground handling, and takeoff of manned or unmanned vertical takeoff and landing aircraft.

The bill requires a minimum of a one-to-one match of nonstate resources, including local, federal, or private funds, to the state contribution. However, the requirement is waived for a public entity located in a fiscally constrained county.⁴⁶ An award may not be made for a project that is receiving or using state funding from another state source or statutory program, including tax credits.

Projects may apply for funding for capital expenditures and operations but funding awarded under this section may not be used to pay salary and benefits or general business or office expenses. A project may not be awarded the entirety of any appropriation in a fiscal year.

Annually, Commerce, in conjunction with the FDOT, must provide:

- A list of each project awarded;
- The benefit of each project toward meeting the goals and objectives of the program; and
- The current status of each project.

Commerce must include such information in its annual incentives report.

The program expires June 30, 2034.

The bill requires the Office of Economic and Demographic Research and the Office of Program Policy Analysis and Government Accountability to review the program by January 1, 2027, and every three years thereafter.

Incumbent Worker Training Program and CareerSource Florida, Inc.

Present Situation

Workforce Innovation and Opportunity Act of 2014

⁴⁶ Each county that is entirely within a rural area of opportunity as designated by the Governor pursuant to s. 288.0656, F.S., or each county for which the value of a mill will raise no more than \$5 million in revenue, based on the taxable value certified pursuant to s. 1011.62(4)(a)1.a., F.S., from the previous July 1, is considered a fiscally constrained county. Section 218.67(1), F.S.

In 2014, Congress passed the Workforce Innovation and Opportunity Act (WIOA), which superseded the Workforce Investment Act of 1998.⁴⁷ WIOA requires each state to develop a single, unified plan for aligning workforce services through the identification and evaluation of core workforce programs.⁴⁸

WIOA identifies four core programs that coordinate and complement each other to ensure job seekers have access to needed resources.⁴⁹ The core programs are:

- Adult, Dislocated Worker and Youth Programs;
- Adult Education and Literacy Activities;
- Employment Services under the Wagner-Peyser Act;⁵⁰ and
- Vocational Rehabilitation Services.⁵¹

WIOA establishes minimum performance accountability measures for the evaluation of core programs in each state and performance reports to be provided at the state, local, and training provider levels.⁵² Performance measures that apply across all core programs include:⁵³

- The percentage of participants in unsubsidized employment during second quarter after exit.
- The percentage of participants in unsubsidized employment during fourth quarter after exit.
- The median earnings of participants during second quarter after exit.
- The percentage of participants who obtain a postsecondary credential or secondary school diploma within one year after exit.
- The achievement of measurable skill gains toward credentials or employment; and
- The effectiveness in serving employers.

State Administration of Workforce Development

WIOA requires the Governor to establish a State Workforce Development Board (state board) to assist the Governor in carrying out the duties and responsibilities required by WIOA.⁵⁴ CareerSource Florida, Inc., implements the policy directives of the state board and administers state workforce development programs.⁵⁵ CareerSource Florida, Inc., provides administrative support to the state board, the principal workforce policy organization for the state. WIOA state board members are nonvoting and the number of members is determined by the Governor.⁵⁶

WIOA requires states to designate local workforce development areas in the state. The local workforce development areas must be consistent with labor market areas and regional economic development areas in the state and have available federal and non-federal resources necessary to effectively administer workforce development services.⁵⁷ Within each area, a local workforce development board must be established.⁵⁸ Each local workforce development board is required to coordinate planning and service delivery strategies within the local workforce development area and submit to the Governor a 4-year local plan for the delivery of workforce development services.⁵⁹

Commerce serves as Florida's lead workforce agency.⁶⁰ Commerce is responsible for the fiscal and administrative affairs of the workforce development system.⁶¹ Commerce receives and distributes

⁴⁷ Workforce Innovation and Opportunity Act, 29 U.S.C. s. 3101 et seq. (2014).

⁴⁸ See 29 U.S.C. s. 3112(a).

⁴⁹ See 29 U.S.C. s. 3102(13).

⁵⁰ See 29 U.S.C. s. 49 et seq.

⁵¹ See 29 U.S.C. s. 720 et. seq.

⁵² See 29 U.S.C. s. 3141.

⁵³ *Id.*

⁵⁴ 29 U.S.C. s. 3111.

⁵⁵ S. 445.004(2), F.S.

⁵⁶ S. 445.004(3)(a), F.S.

⁵⁷ See 29 U.S.C. s. 3121.

⁵⁸ 29 U.S.C. s. 3122.

⁵⁹ See 29 U.S.C. ss. 3122 and 3123.

⁶⁰ Primarily through the Division of Workforce Services. See s. 20.60, F.S.

⁶¹ See s. 20.60(5)(c), F.S. and s. 445.009(3)(c), F.S.

federal funds for employment-related programs to the local workforce development boards.⁶² Under the direction of CareerSource, Commerce is required to annually meet with each local workforce development board to review the board's performance and to certify that the board is in compliance with applicable state and federal laws.⁶³

Incumbent Worker Training Program

The Incumbent Worker Training Program (program) was created to provide grant funding for continuing education and training of incumbent employees at existing Florida businesses. The program provides reimbursement grants to businesses that pay for preapproved, direct, training-related costs. The term "business" includes hospitals operated by nonprofit or local government entities which provide nursing opportunities to acquire new or improved skills.⁶⁴

Funding priority is given in the following order:⁶⁵

- Businesses that provide employees with opportunities to acquire new or improved skills by earning a credential on the Master Credentials List;
- Hospitals operated by nonprofit or local government entities that provide nursing opportunities to acquire new or improved skills;
- Businesses whose grant proposals represent a significant upgrade in employee skills;
- Businesses with 25 employees or fewer, businesses in rural areas, and businesses in distressed inner-city areas; and
- Businesses in a qualified targeted industry or businesses whose grant proposals represent a significant layoff avoidance strategy.

Effect of the Bill

The bill revises the term "businesses" under the program to include healthcare facilities and allied health care opportunities. The bill also revises the funding priority for grant purposes to provide that health care facilities, in addition to hospitals, operated by nonprofit or local government entities that provide opportunities in health care, rather than nursing opportunities, are eligible for the funding.

The bill specifies that WIOA state board members are voting members.

Revitalization of Homeowner Association Covenants

Present Situation

Parcel owners in a community that was previously subject to a declaration of covenants that has ceased to govern one or more parcels in the community may revive the declaration and the association for the community upon approval by the parcel owners to be governed as provided in the Covenant Revitalization Act⁶⁶ and upon approval of the declaration and the other governing documents for the association by Commerce.⁶⁷

No later than 60 days after the date the proposed revived declaration and other governing documents are approved by the affected parcel owners, the organizing committee must submit the proposed revived governing documents and any supporting materials to Commerce to review and determine whether to approve or disapprove of the proposal to preserve the residential community.⁶⁸

⁶² See s. 20.60(5)(c), F.S. and s. 445.003, F.S.

⁶³ See s. 445.007(3), F.S.

⁶⁴ S. 445.003(3)3., F.S.

⁶⁵ *Id.*

⁶⁶ Ch. 720, Part III, F.S.

⁶⁷ S. 720.403(2), F.S.

⁶⁸ S. 720.406(1), F.S.

Commerce must make a determination no later than 60 days and must notify the organizing committee in writing of its approval or reasons for the disapproval.⁶⁹

Effect of Proposed Changes

The bill specifies that a homeowner's association's proposed revived declaration of covenants and articles of incorporation and bylaws must be submitted to Commerce within 60 days after obtaining valid written consent from a majority of the affected parcel owners, or within 60 days after the date the documents are approved by affected parcel owners by a vote at a meeting.

Local Government Emergency Revolving Bridge Loan Program

Present Situation

The Local Government Emergency Revolving Bridge Loan provides financial assistance to local governments impacted by federally declared disasters. The purpose of the loan program is to assist these local governments in maintaining operations by bridging the gap between the time that the declared disaster occurred and the time that additional funding sources or revenues are secured to provide them with financial assistance.⁷⁰

The loans are interest-free with the loan amount determined based upon demonstrated need. The term of the loan is up to five years.⁷¹ To be eligible, a local government must be a county or a municipality located in an area designated in the Federal Emergency Management Agency disaster declaration. The local government must show that it may suffer or has suffered substantial loss of its tax or other revenues as a result of the disaster and demonstrate a need for financial assistance to enable it to continue to perform its government operations.⁷²

The program expires July 1, 2038, and a loan may not be awarded after June 30, 2038. Upon expiration, all unencumbered funds and loan repayments made on or after July 1, 2038, must be transferred to the General Revenue Fund.⁷³

Effect of Proposed Changes

The bill amends s. 288.066, F.S., to extend the repayment period of the program from 5 to 10 years. Effective upon becoming a law, the bill also authorizes Commerce to amend any existing loans executed before February 1, 2024, in order to increase the loan term to a total of 10 years from the original date of execution.

The bill provides an effective date of July 1, 2024, except the portion of the bill which authorizes Commerce to amend any existing loans executed before February 1, 2024, which takes effect upon becoming a law.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

⁶⁹ S. 720.406(2), F.S.

⁷⁰ S. 288.066(1), F.S.

⁷¹ S. 288.066(3), F.S.

⁷² S. 288.066(2), F.S.

⁷³ S. 288.066(9), F.S.

None.

2. Expenditures:

Indeterminate, however it does not appear the bill will require any expenditures that the department cannot absorb within existing resources.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Not applicable.

D. FISCAL COMMENTS:

None.