Tab 1	SB 110 by Simon; Compare to H 01397 Rural Communities							
	T							
Tab 2	SB 68 by Martin;	SB 68 by Martin; Similar to H 00229 Health Facilities Authorities						
Tab 3	SB 218 by Arring	ton; Identical to H 00039 Tax Ex	emption for Disabled Ex-ser	vicemembers				
577630	A S	CA, Arrington	btw L.28 - 29:	02/27 09:51 AM				
Tab 4 SB 384 by Burton; Identical to H 00275 Annexing State-owned Lands								
756800	A S	CA, Burton	Delete L.33:	02/27 09:51 AM				

The Florida Senate

COMMITTEE MEETING EXPANDED AGENDA

COMMUNITY AFFAIRS Senator McClain, Chair Senator Fine, Vice Chair

MEETING DATE: Monday, March 3, 2025

TIME: 3:30—5:30 p.m.

PLACE: Mallory Horne Committee Room, 37 Senate Building

MEMBERS: Senator McClain, Chair; Senator Fine, Vice Chair; Senators Jones, Leek, Osgood, Passidomo,

Sharief, and Trumbull

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
1	SB 110 Simon	Rural Communities; Requiring the state land planning agency to give preference for technical assistance funding to local governments located in a rural area of opportunity; authorizing eligible counties to receive a distribution of sales and use tax revenue; creating the Office of Rural Prosperity within the Department of Commerce; creating the Public Infrastructure Smart Technology Grant Program within the Office of Rural Prosperity; requiring, rather than authorizing, that certain funds received from the State Transportation Trust Fund be used for the Small County Road Assistance Program, etc. CA 03/03/2025 FP	
2	SB 68 Martin (Similar H 229)	Health Facilities Authorities; Revising the definition of the term "health facility" to include other entities and associations organized not for profit; revising the powers of health facilities authorities to include the power to issue certain loans and execute related loan agreements; specifying requirements for projects financed by loan agreements issued by a health facilities authority, etc. CA 03/03/2025 HP RC	
3	SB 218 Arrington (Identical H 39)	Tax Exemption for Disabled Ex-servicemembers; Increasing the value of a tax exemption for certain disabled ex-servicemembers, etc. CA 03/03/2025 FT AP	
4	SB 384 Burton (Identical H 275)	Annexing State-owned Lands; Requiring a municipality proposing to annex state-owned lands to notify the county legislative delegation at a certain time, etc. CA 03/03/2025 EN RC	

COMMITTEE MEETING EXPANDED AGENDA

Community Affairs Monday, March 3, 2025, 3:30—5:30 p.m.

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION

Other Related Meeting Documents

The Florida Senate BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

	Prepared By: The Professional Staff of the Committee on Community Affairs							
BILL:	SB 110							
INTRODUCER:	Senator Sim	non						
SUBJECT:	Rural Comr	nunities						
DATE:	February 28	3, 2025	REVISED:					
ANAL	YST	STAFF	DIRECTOR	REFERENCE		ACTION		
1. Fleming		Flemin	g	CA	Pre-meeting			
2				FP				

I. Summary:

SB 110 addresses a number of issues for the benefit of rural communities in the state. Namely, the bill creates a statewide office to coordinate the advancement of rural communities and opportunity therein, and to that aim amends a swathe of programs and regulations across various departments and policy areas.

Regarding the Department of Commerce (department), the bill creates the Office of Rural Prosperity (office) within the department to serve as the state's dedicated office for rural local governments. The bill transfers administration of existing rural community grant programs currently administered by the department, to the newly established office, and creates two new grant programs benefitting rural communities: the Renaissance Grant Program and the Public Infrastructure Smart Technology Grant Program.

Among other directives, the office is responsible for:

- Providing training and technical assistance to rural local governments;
- Creating an online Rural Resource Directory for rural local governments to navigate available state and federal resources and funding opportunities; and
- Establishing a network of seven regional rural community liaison centers across the state to provide in-person state support to rural communities to enhance communication and increase access to state and federal resources for rural areas of the state.

The bill also:

- Enhances the Rural Economic Development Initiative to promote rural local government participation in state grant and other program opportunities and evaluate opportunities to waive certain grant program requirements for rural governments.
- Directs OPPAGA to routinely evaluate the effectiveness of the office and also study strategies implemented by other states to support and enhance rural communities;

Directs OPPAGA and the Office of Economic and Demographic Research to jointly review
the impact of Florida Statutes on rural communities and evaluate whether appropriate metrics
are applied in current law to define rural areas and communities.

To further healthcare access in rural communities, the bill:

- Creates the Stroke, Cardiac, and Obstetric Response and Education (SCORE) Grant Program
 within the Department of Health (DOH) to implement training, purchase equipment,
 establish telehealth capabilities, and develop quality improvement programs with the goal of
 improving patient outcomes and increasing access to high-quality stroke, cardiac, and
 obstetric care in rural communities;
- Creates the Rural Access to Primary and Preventative Care Grant Program (RAPP-C)
 program within the DOH to provide incentive funding for primary care physicians and
 autonomous Advanced Practice Registered Nurses to open new practice locations in rural and
 underserved areas of the state; and
- Expands the existing Rural Hospital Capital Improvement Grant Program (RHCI) to allow rural hospitals to use grant funds to establish mobile care units to provide primary care services, behavioral health services, or obstetric and gynecological services in rural health professional shortage areas (HPSA) or to establish telehealth kiosks to provide urgent care services in rural HPSAs.

Regarding the Florida Department of Transportation (FDOT), the bill:

- Creates the Florida Arterial Road Modernization (FARM) program to provide investment in rural arterial roads to enhance the safety, reliability and resiliency for critical state facilities; and
- Provides additional annual funds to the FDOT to enhance the Small County Road Assistance Program (SCRAP) and revises Small County Outreach Program (SCOP) funding eligibility requirements.

Regarding the Department of Education, the bill:

- Expands authorized services under regional consortium service organizations (regional consortia), increases to \$150,000 the per member funding for such regional consortia, and authorizes all revenue to be carried forward for specified purposes;
- Creates the Regional Consortia Service Organization Supplemental Services Program to
 provide additional financial resources for regional consortia to provide specified programs
 and services to school districts and consortia members;
- Establishes the Rural Incentive for Professional Educators program to provide a student loan repayment of up to \$15,000 for teachers and administrators to live and work at a public or private school in rural areas of opportunity;
- Removes the requirement that school districts receiving funds under the Special Facility Construction Account (SFCA) budget toward the project the value of 1 mill from its discretionary ad valorem levy; and
- Modifies the calculation for the deducted amount from total tax revenue that must be shared with district charter schools for future projects under the SFCA.

Regarding affordable housing, the bill:

• Provides funding for and directs the Florida Housing Finance Corporation to issue competitive requests for application to preserve multifamily housing funded through U.S. Department of Agriculture (USDA) loans in rural areas.

- Authorizes local governments to utilize a certain percentage of State Housing Initiatives Program (SHIP) funds on projects to preserve USDA-financed multifamily housing in rural areas.
- Increases the minimum SHIP allocation from \$350,000 to \$1 million for counties and eligible municipalities.

Regarding fiscally constrained counties, the bill:

- Amends the criteria for being designated as a fiscally constrained county.
- Changes the revenue source for the fiscally constrained counties distribution from the direct-to-home satellite service tax to sales tax.
- Provides to fiscally constrained counties a distribution from sales tax in an amount equal to no less than \$50 million each year.
- Makes several changes to the fiscally constrained counties distribution, including changing distribution factors for allocating revenue among counties and creating spending requirements.

The bill makes several appropriations to the Department of Commerce (\$16.8 million recurring general revenue, \$74.7 million nonrecurring general revenue, and \$750,000 recurring trust fund); the Department of Education (\$35.6 million recurring general revenue); and the Department of Health (\$6.3 million recurring general revenue, \$55 million nonrecurring general revenue, and \$8.2 million recurring trust fund). The bill redirects funds to the Department of Transportation for specific purposes, but requires the department to submit budget amendments to receive the funds. The bill also provides for an increased share of state tax revenues for fiscally constrained counties. See Section V. Fiscal Impact Statement.

The bill takes effect July 1, 2025.

II. Present Situation:

The present situation for each issue is described below in Section III, Effect of Proposed Changes.

III. Effect of Proposed Changes:

Present Situation:

The Department of Commerce

The Department of Commerce (department) is Florida's lead agency for working with the Legislature, state agencies, business leaders, and economic development professionals to formulate and implement coherent and consistent policies and strategies designed to promote economic opportunities for all Floridians.¹ The department is also the state's chief agency for

_

¹ Section 20.60(4) F.S.

business recruitment and expansion.² The department must also promote viable, sustainable communities by providing technical assistance and guidance on growth and development issues, grants, and other assistance to local communities.³

The head of the department is the Secretary of Commerce, who is appointed by the Governor and confirmed by the Senate.⁴ The secretary may create offices within the Office of the Secretary and within the divisions to promote efficient and effective operation of the department.⁵ The department must also ensure that the state's goals and policies relating to economic development, workforce development, community planning and development, and affordable housing are fully integrated with appropriate implementation strategies.⁶

To achieve these goals, the Legislature established seven divisions and offices within the department:

- Economic Development
- Community Development
- Workforce Services
- Finance and Administration
- Information Technology
- Office of the Secretary
- Office of Economic Accountability and Transparency⁷

The agency is charged with managing the activities of public-private partnerships and state agencies in order to avoid duplication and promote coordinated and consistent implementation of programs including among other things, rural community development.⁸ This includes stimulation of economic development and job creation in rural areas, including strategies for rural marketing and the development of infrastructure in rural areas.⁹ Additionally, the department runs a number of financial and grant programs aimed at helping small rural communities in Florida.

Effect of Proposed Changes:

Office of Rural Prosperity

The bill creates the Office of Rural Prosperity (office) within the department for the purpose of supporting rural communities, helping navigate available state and federal resources, and representing rural interests across state government. The office will serve as the state point of contact for rural local governments and will administer various rural-focused grant programs currently administered by the department, as well as new programs created in the bill.

 $^{^{2}}$ Id.

³ Section 20.60(4) (c) F.S

⁴ Section 20.60(2) F.S.

⁵ Section 20.60(3)(b), F.S.

⁶ Section 20.60(3), F.S.

⁷ *Id*.

⁸ Section 20.60(4)(e) F.S.

⁹ Section 20.60(5)(a)c F.S.

Section 1 amends s. 20.60, F.S., to formally designate the office as one of eight permanent offices or divisions under the department.

Section 11 creates s. 288.013, F.S., to establish the framework and responsibilities of the office. The office will be led by a director, who will be appointed by the Governor and confirmed by the Senate.

The bill directs the office to provide training and technical assistance to rural local governments on various community and economic development topics. Offered either in person or online, the training and technical assistance must, at a minimum, address the following:

- Accessing state and federal resources;
- Best practices relating to comprehensive planning, economic development, and land development in rural communities;
- Strategies to address management and administrative capacity challenges for rural local governments; and
- Requirements or recent changes to the Community Planning Act and other state and federal laws affecting rural local governments.

Rural Resource Directory

The bill directs the office to create and maintain an online Rural Resource Directory to serve as an interactive tool to help rural local governments navigate state and federal resources, tools, and services available to them. The directory must allow users to search by various indicators and receive notifications when new or modified resources are available. Each state agency must provide information and updates to the office for inclusion in the directory and, to the greatest extent possible, the directory must include information on local financial match requirements for state and federal grant programs.

Regional Rural Community Liaison Centers

By October 1, 2025, the office must establish and staff 7 regional rural community liaison centers across the state for the purpose of providing in-person state support to rural local governments. The office must by rule divide the state into 7 regions and assign a liaison center to each region. Each liaison center will be staffed with at least two full-time department personnel who will be responsive to the rural local governments within the respective region. Specifically, liaison centers are required, at a minimum, to do the following:

- Work with local governments to plan and achieve goals for local or regional growth, economic development, and rural prosperity;
- Facilitate access to state and federal resources, such as grants, loans, and other aid or resources.
- Advise on waivers for rural local governments for certain requirements for state and federal programs, such as local financial match waivers.
- Coordinate technical assistance needs with the department and other state or federal agencies.
- Promote model ordinances, policies, and strategies related to economic development.
- Regularly engage with the Rural Economic Development Initiative.

• Assist local governments with regulatory and reporting compliance.

Annual Report

By December 1, 2025, and each year thereafter, the office director must submit to the President of the Senate, the Speaker of the House of Representative, and the Administration Commission a written report describing the office's operations and accomplishments for the preceding year. The report must also be presented by the office director in-person at a meeting of the Administration Commission and posted to the office website. In preparing the report, the office must consult with the Department of Agriculture and Consumer Services on recommendations for policies, programs, and funding to further support the needs of rural communities.

OPPAGA Reports

The bill directs OPPAGA to produce the following revolving reports relating to the office and rural communities in Florida:

- By December 15, 2026, and every year thereafter until 2028, OPPAGA must review the effectiveness of the office and submit a report of its findings to the President of the Senate and the Speaker of the House of Representatives. Beginning in 2029, the frequency of the review is reduced to every 3 years.
- By December 15, 2027, and every 3 years thereafter, OPPAGA must review strategies implemented by other states on rural community preservation, enhancement, and revitalization and report on their effectiveness and potential for implementation in Florida. The report must be submitted to the President of the Senate and the Speaker of the House of Representatives.
- By December 15, 2026, OPPAGA must review each state-funded or state-administered grant
 and loan program for local governments for local financial match requirements and evaluate
 whether waivers for rural local governments may be appropriate. The review must also
 evaluate application evaluation criteria for such program and whether special
 accommodations or preferences for rural local governments may be appropriate. The report
 must be submitted to the President of the Senate and the Speaker of the House of
 Representatives.

Section 42 appropriates \$1,827,591 in recurring funds and \$652,327 in nonrecurring funds from the General Revenue Fund to the to the Department of Commerce for the staffing and operation of the Office of Rural Prosperity, which includes funding for 17 full-time equivalent positions for the office.

Present Situation:

Rural Economic Development Initiative (REDI)

The Rural Economic Development Initiative (REDI) was established by the Legislature to encourage and facilitate the location and expansion of major economic development projects of

significant scale in rural communities.¹⁰ Today, the REDI operates as a statewide initiative led by the Department of Commerce (department) to better serve Florida's rural communities by providing a more focused and coordinated effort among state and regional agencies to improve the fiscal, economic, and community viability of these areas.¹¹

Specified agencies and organizations¹² are required to designate a high-level staff person to serve as their REDI representative. Each REDI representative is responsible for ensuring that their agency or organization is informed about REDI and helps to identify opportunities to accommodate or include rural local governments in their agency programs.

REDI is required to review and evaluate the impact of statutes and rules on rural communities and work to minimize any adverse impact and undertake outreach and capacity-building efforts.¹³ Under the REDI statute, a rural community is defined as:

- A county with a population of 75,000 or fewer;
- A county with a population of 125,000 or fewer, if the county is contiguous to a county with a population of 75,000 or fewer;
- Any municipality in a county that meets the above criteria; or
- An unincorporated federal enterprise community or an incorporated rural city with a
 population of 25,000 or fewer, with an employment base focused on traditional agriculture or
 resource-based industries, located in a county not defined as rural, and which has at least
 three or more economic distress factors. 14

Each REDI member agency is required to review financial match requirements for projects in rural areas and develop a proposal to waive or reduce match requirements, and such proposals must be submitted to REDI.¹⁵ REDI must call a meeting within 30 days of receipt of such proposals for comment and recommendation.¹⁶ Waivers and reductions must be requested by the county or community, and to the fullest extent possible member organizations must expedite rule and amendment adoption to incorporate the reduction in match by rural areas in financial distress.¹⁷ REDI must prepare an annual report as a supplement to the Department of Commerce's annual report which includes in an evaluation on the status of changes to rules, number of awards made with waivers, and recommendations for future changes.¹⁸

Based on recommendations of the REDI, the Governor may designate up to three rural areas of opportunity (RAOs) by executive order, ¹⁹ which establishes certain local governments as a

¹⁰ Section 288.0656(1)(a) F.S.

¹¹ Section 288.0656(3), F.S.

¹² The Department of Transportation, Department of Environmental Protection, Department of Agriculture and Consumer Services, Department of State, Department of Health, Department of Children and Families, Department of Corrections, Department of Education, Department of Juvenile Justice, Fish and Wildlife Conservation Commission, each water management district, CareerSource Florida, Inc., VISIT Florida, the Florida Regional Planning Council Association, Agency for Health Care Administration, the Institute of Food and Agricultural Sciences (IFAS). See s. 288.0656(6)(a), F.S.

¹³ Section 288.0656(4), F.S.

¹⁴ Section 288.0656(2)(e) F.S.

¹⁵ Section 288.06561 F.S.

¹⁶ Section 288.06561(3) F.S.

¹⁷ Section 288.06561(4) and (7) F.S.

¹⁸ Section 288.06561(8) F.S.

¹⁹ Section 288.0656(7)(a), F.S.

priority for the department. The orders also permit all state agencies and departments to use all available tools and resources to the extent permissible by law to promote the creation and development of projects designated by the RAO that has been recommended by the department.²⁰

Rural Area of Opportunity

A RAO is a rural community,²¹ or region comprised of rural communities, designated by the Governor, that has been adversely affected by an extraordinary economic event, severe or chronic distress, or a natural disaster.²² An area may also be designated as an RAO if it presents a unique economic development opportunity of regional impact.²³ The designation of an RAO must be agreed upon by the Department of Commerce, as well as the county and municipal governments to be included in the RAO.²⁴

This designation establishes these areas as priority assignments for REDI and allows the Governor, acting through REDI, to waive criteria, requirements, or similar provisions of any economic development initiative. Such incentives include, but are not limited to, the Quick Response Training Program²⁵, the Quick Response Training Program for participants in the welfare transition program²⁶, transportation projects²⁷, the brownfield redevelopment bonus refund²⁸, and the rural job tax credit program²⁹.

Currently, there are three designated RAO areas:

- Northwest RAO: Calhoun, Franklin, Gadsden, Gulf, Holmes, Jackson, Liberty, Wakulla, and Washington counties, and portions of Walton County (the City of Freeport and lands north of the Choctawhatchee Bay and intercoastal waterway).
- South Central RAO: DeSoto, Glades, Hardee, Hendry, Highlands, and Okeechobee counties, and the cities of Pahokee, Belle Glade, and South Bay in Palm Beach County and the city of Immokalee in Collier County.
- North Central RAO: Baker, Bradford, Columbia, Dixie, Gilchrist, Hamilton, Jefferson, Lafayette, Levy, Madison, Putnam, Suwannee, Taylor, and Union counties.³⁰

²⁰ Executive Orders 20-170, 21-149, and 23-132 available at https://www.flgov.com/eog/sites/default/files/executive-orders/2024/EO_21-149.pdf, and https://www.flgov.com/eog/sites/default/files/executive-orders/2024/EO_23-132.pdf (last visited Feb. 25, 2025)

²¹ Section 288.0656(2)(e), F.S.

²² Section 288.0656(2)(d), F.S.

 $^{^{23}}$ *Id*.

²⁴ Section 288.0656(7)(b), F.S.

²⁵ Section 288.047 F.S.

²⁶ Section 288.047(8) F.S.

²⁷ Section 339.2821 F.S.

²⁸ Section 288.107 F.S.

²⁹ Sections 212.098 and 220.1895 F.S.

³⁰ Department of Commerce, *Rural Areas of Opportunity*, *available at* https://floridajobs.org/community-planning-and-development/rural-community-programs/rural-areas-of-opportunity (last visited Feb. 25, 2025). The economic development organizations for these RAOs are named Opportunity Florida, Florida's Heartland Regional Economic Development Initiative, and the North Florida Economic Development Partnership, respectively.

Effect of Proposed Changes:

Section 19 amends s. 288.0656, F.S., to modernize the REDI statute to enhance the visibility and effectiveness of the program. Specifically, the bill:

- Moves creation of the REDI from within the department generally, to the Office of Rural Prosperity;
- Requires REDI to meet at least monthly and requires the REDI representative or his or her designee to be physically present or available electronically;
- Provides a legislative finding that rural communities are the essential conduits for the economy's distribution, manufacturing, and food supply;
- Removes a reference to "economically distressed" rural communities to broaden REDI's reach to all rural communities;
- Requires enhanced reporting on projects being coordinated by REDI and enhanced reporting on program requirement waivers granted to rural communities;
- Requires REDI to provide legislative recommendations for statutory waivers or reductions for economic development programs for rural applicants; and
- Repeals obsolete language regarding rural enterprise zones, catalyst projects, and catalyst sites.

Section 15 amends s. 288.019, F.S., to enhance rural considerations in grant review and evaluation processes. The bill requires REDI member agencies and organizations to review grant and loan application evaluation criteria and scoring procedures to ensure full access for rural communities. Each agency must develop a proposal to modify evaluation and scoring procedures to accommodate rural communities, including opportunities to waive or reduce required financial match requirements.

Section 16 amend s. 288.021, F.S., to require that when practicable, the staff member appointed as the economic development liaison of a state agency shall also serve as the agency representative for the REDI.

Section 20 repeals s. 288.06561, F.S., pertaining to reduction or waivers of financial match requirements. The general substance of this statute is incorporated into the revisions of section 15 of the bill.

Section 23 repeals s. 290.06561, which is a remnant statute from the repealed Enterprise Zone program.

Effect of Proposed Changes:

Renaissance Grant Program

Sections 12 creates s. 288.014, F.S., to establish the Renaissance Grant Program to be administered by the Office of Rural Prosperity (office). Under the program, the office will provide \$1 million block grants to counties which are "growth-impeded," meaning a county has had a declining population over the last ten years, as certified by the Office of Economic and Demographic Research (EDR). By October 1, 2025, EDR must certify to the office which counties are growth-impeded. After the initial certification, the EDR shall annually certify

whether each participating county remains growth-impeded, until the county has three consecutive of population growth.

Participating counties must enter into an agreement with the office to receive the \$1 million block grant and have broad authority to design a specific plan to achieve population growth within the specified parameters.

Participating counties must design a plan to make targeted investments in the community to achieve population growth and increase the economic vitality of the community. The plan must incorporate the following key features:

- Technology centers with extended hours located within schools and administered by the local school boards;
- Facilities that co-locate adult day care with childcare facilities; and
- Technology labs managed by Florida College System institutions or career centers.

Each participating county must hire a renaissance coordinator who is responsible for overseeing the use of funds, coordinating with other entities, and complying with reporting requirements. Upon request, the regional rural community liaison center staff must provide training and assistance to the renaissance coordinator.

The bill directs the Auditor General to conduct an operational audit of each participating county's grant program every two years, beginning in 2026. Additionally, on December 31, 2026, and each year thereafter, the EDR must submit an annual report of grant recipients by county to the President of the Senate and the Speaker of the House of Representatives.

The Renaissance Grant Program expires in 2040.

Section 43 appropriates \$8 million in recurring funds from the General Revenue Fund to the Office of Rural Prosperity for the Renaissance Grant Program. No funds may be used by the state for administrative costs.

Effect of Proposed Changes:

Public Infrastructure Smart Technology Grants

Sections 13 creates s. 288.0175, F.S., to establish the Public Infrastructure Smart Technology Grant Program to be administered by the Office of Rural Prosperity (office). The program is created to fund and support infrastructure projects in rural communities that utilize smart technology to increase efficiency, enhance public services, and promote sustainable development.

The bill directs the office to contract with one or more not-for-profit entities (lead organization) that specializes in smart regional planning to provide grants to counties and municipalities within a rural area of opportunity for public infrastructure smart technology projects. The bill defines "public infrastructure smart technology" as systems and applications that use connectivity, data analytics, automation to improve public infrastructure by increasing efficiency, enhancing public services, and promoting sustainable development.

The office contract must require a lead organization to:

• Collaborate with rural counties and municipalities to identify opportunities to institute costeffective smart technology, and provide technical assistance; and

 Assist such counties and municipalities in connecting with other communities, companies, and other entities to leverage the impact of each public infrastructure smart technology project.

The office must include in its annual report a description of the projects funded under this program.

Section 44 appropriates \$500,000 in recurring funds from the Grants and Donations Trust Fund to the Office of Rural Prosperity for the Smart Technology Grant Program.

Present Situation:

Florida Office of Broadband

The Office of Broadband (office) is an office created within the Division of Community Development³¹ in the Department of Commerce (department) for the purpose of providing broadband internet service to residents of Florida including: libraries, schools, colleges and universities, health care providers, and community organizations.³² Under the office, the department may apply for and accept federal funds, enter into contracts, and establish any committee or workgroups to administer the program.³³

Effect of Proposed Changes:

Section 22 amends s. 288.9961, F.S., to:

- Require the Office of Broadband to consult with regional rural community liaisons centers to assist with providing feedback from rural communities in applying for federal grants for broadband internet services.
- Require annual and quarterly reports be submitted to Governor, the President of the Senate, and the Speaker of the House of Representatives detailing broadband implementation in rural, unserved, and underserved communities, as well as operations and accomplishments of the office.

Present Situation:

Regional Rural Development Grants Program

The Regional Rural Development Grants Program was established to provide funding, through matching grants, to build the professional capacity of regionally based economic development organizations located in rural communities. The concept of building the professional capacity of an economic development organization includes hiring professional staff to develop, deliver, and

³¹ Section 288.9961(4) F.S.

³² Section 288.9961(1) F.S.

³³ Section 288.9961(5) F.S.

provide economic development professional services. Professional services includes technical assistance, education and leadership development, marketing, and project recruitment.³⁴

Applications submitted to the Department of Commerce (department) for funding through this program must provide proof:³⁵

- Of official commitments of support from each of the units of local government represented by the regional organization;
- That the regional organization is in existence and actively involved in economic development activities serving the region; and
- Of the manner in which the organization coordinates its efforts with those other local and state organizations.

A contract or agreement that involves the expenditure of grant funds must include³⁶:

- The purpose of the contract or agreement.
- Specific performance standards and responsibilities for each entity under the contract or agreement.
- A detailed project or contract budget, if applicable.
- The value of any services provided.
- The projected travel expenses for employees and board members, if applicable.

An organization may receive up to \$50,000 a year or \$250,000 for any three regional economic development organizations that serve an entire RAO.³⁷ The department is authorized to spend up to \$750,000 each fiscal year from funds appropriated to the Rural Community Development Revolving Loan Fund to carry out this program.³⁸

Effect of Proposed Changes:

Section 14 amends s. 288.018, F.S., to move administration of the program from the Department of Commerce generally, to the Office of Rural Prosperity.

Present Situation:

Rural Infrastructure Fund

The Rural Infrastructure Fund is a grant program created to facilitate the planning, preparing, and financing of infrastructure projects in rural communities.³⁹ The program provides access to federal and state infrastructure funding programs, including, but not limited to, those offered by the United States Departments of Agriculture and Commerce and including those offered by Rural Economic Development Initiative agencies.⁴⁰ The program funds total infrastructure project grants, infrastructure feasibility grants, and preclearance review grants.

³⁴ Section 288.018(1)(b), F.S.

³⁵ Section 288.018(2), F.S.

³⁶ Section 288.018(3)(a), F.S.

³⁷ Section 288.018(1)(c), F.S.

³⁸ Section 288.018(4), F.S.

³⁹ See s. 288.0655, F.S.

⁴⁰ Section 288.0655(2)(b), F.S.

The Department of Commerce (department) may award grants for up to 75 percent of the total infrastructure cost, or up to 100 percent of the total infrastructure project cost for a project that is located in a rural community that is also located in a fiscally constrained county⁴¹ or a RAO.⁴² Additionally, projects may include improving any inadequate infrastructure that has resulted in regulatory action that prohibits economic or community growth or reducing the costs to community users of proposed infrastructure improvements that exceed such costs in comparable communities.

Eligible uses of funds include improvements to public infrastructure for industrial or commercial sites and upgrades to or development of public tourism infrastructure.⁴³ Infrastructure can include public or public-private partnership facilities, like storm water systems, telecommunication, roads or other remedies to transportation impediments, nature-based tourism facilities and physical requirements necessary to facilitate tourism, trade, and economic development activities.⁴⁴The department may award grants of up to \$300,000 for infrastructure feasibility studies, design and engineering activities, or other infrastructure planning and preparation activities..⁴⁵ The total project participation grant may be used in conjunction with the infrastructure feasibility grant.

To enable local governments to access the resources the department may award grants for surveys, feasibility studies, and other activities related to the identification and preclearance review of suitable land. Authorized grants under program may not exceed \$75,000 each, except in the case of a project in a rural area of opportunity, in which case the grant may not exceed \$300,000.

Effect of Proposed Changes:

Sections 18 amends s. 288.0655, F.S., to:

- Move administration of the program from the Department of Commerce generally, to the Office of Rural Prosperity.
- Clarify that grant funds may be awarded for "site readiness" expenses, which may include clearing title, surveys, permitting, environmental studies, and regulatory compliance costs.
- Require the Office of Rural Prosperity to consult with the Department of Transportation instead of Visit Florida when reviewing applications for funding.
- Require enhanced annual reporting of the program.

⁴¹ A fiscally constrained country is any 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. Section 218.67(1), F.S.

⁴² Section 288.0655(2)(b), F.S.

 $^{^{43}}$ Id

⁴⁴ Broadband Internet service must be provided in partnership with one or more dealers of communications services. Section 288.0655(2)(b), F.S.

⁴⁵ Section 288.0655(2)(c), F.S.

⁴⁶ Section 288.0655(2)(e), F.S. Expedited permitting is pursuant to s. 403.9739(18), F.S.

⁴⁷ *Id*.

Section 46 appropriates \$40 million in nonrecurring funds and \$5 million in recurring funds from the General Revenue Fund to the Office of Rural Prosperity for the Rural Infrastructure Fund.

Present Situation:

Rural Community Development Revolving Loan Fund

The Rural Community Development Revolving Loan Fund Program is administered by the Department of Commerce to facilitate the use of existing federal, state, and local financial resources by providing local governments with financial assistance to further promote the economic viability of rural communities.⁴⁸

The program provides for long-term loans, loan guarantees, and loan loss reserves to units of local governments, or economic development organizations in counties with populations of 75,000 or fewer, or within any county with a population of 125,000 or fewer which is contiguous to a county with a population of 75,000 or fewer.⁴⁹ Loans must be made pursuant to agreements specifying the terms and conditions agreed to between the applicant and the department, and loans are the legal obligations of the applicant.⁵⁰ All repayments of principal and interest must be returned to the loan fund and made available for loans to other applicants.

However, in a rural area of opportunity, repayments of principal and interest may be retained by the applicant if repayments are dedicated and matched to fund regionally based economic development organizations representing the rural area of opportunity.⁵¹

Effect of Proposed Changes:

Section 17 amends s. 288.065, F.S., to:

- Move administration of program from the Department of Commerce generally, to the Office of Rural Prosperity.
- Require the Office of Rural Prosperity to include in its annual report detailed information about the fund, including loans made during the previous fiscal year, loans active, loans repaid, and unobligated funds.

Section 45: Appropriates \$4 million in nonrecurring funds and \$1 million in recurring funds from General Revenue to the Office of Rural Prosperity for the Rural Community Development Revolving Loan Fund.

Present Situation:

Community Planning Technical Assistance Grants

The Department of Commerce's (department) Community Planning office is charged with providing technical assistance and guidance on growth and development issues, grants, and other

⁴⁸ Section 288.065 (1) F.S.

⁴⁹ Section 288.065 (2)(a) F.S.

⁵⁰ Section 288.065 (2)(b) F.S.

⁵¹ Section 288.065 (2)(c) F.S.

assistance to local communities to promote viable, sustainable communities.⁵² Community Planning Technical Assistance (CPTA) Grant Program is administered by the department to provide counties, municipalities and regional planning councils the opportunity to create innovative plans and development strategies to promote a diverse economy, vibrant rural and suburban areas and meet statutory requirements for planning, while also protecting environmentally sensitive areas.⁵³ CPTA grants may also be used to assist with disaster recovery, resiliency and economic development planning.⁵⁴

Projects should relate to community planning and economic development strategies that implement the requirements in the Community Planning Act, as well as workforce development, and workforce housing opportunities.⁵⁵

Effect of Proposed Changes:

Section 2 amends s. 163.3168, F.S., to:

- Require preference to be given to local government applicants located in a rural area of opportunity.
- Require the department to consult with the Office of Rural Prosperity when awarding funding for these grants.

Present Situation:

Florida Rural Economic Development Strategy Grants

The Department of Commerce (department), under s. 288.0657, F.S., accepts and administers money which is appropriated to the department for providing grants to assist rural communities in developing and implementing strategic economic development plans.⁵⁶ The rural community must be counties with populations of 75,000 or fewer, or within any county with a population of 125,000 or fewer which is contiguous to a county with a population of 75,000 or fewer, or a municipality therein.⁵⁷ The department must establish criteria for reviewing grant applications under this section. These criteria include, but are not limited to, the degree of participation and commitment by the local community and the application's consistency with local comprehensive planning.⁵⁸

⁵² Section 20.60 (4)(c) F.S.

⁵³ Department of Commerce, Community Planning Technical Assistance Grants, State Fiscal Year 2024-2025, available at https://floridajobs.org/community-planning-and-development/programs/community-planning-table-of-contents/technical-assistance-grant (last viewed January 21, 2025)

⁵⁴ *Id*.

⁵⁵ *Id*.

⁵⁶ Section 288.0657 (2) F.S.

⁵⁷ Section 288.0657 (1) F.S.

⁵⁸ Section 288.0657(4) F.S.

Effect of Proposed Changes:

Sections 21 amends s. 288.0657, F.S., to:

 Move administration of the program from the Department of Commerce generally, to the Office of Rural Prosperity.

- Specify that grants may be provided to assist with costs associated with marketing sites to potential businesses for an economic development project;
- Require the regional rural community liaison centers within the Office of Rural Prosperity to provide assistance to those applying for grants.
- Provide that marketing grants may include funding to deploy materials through advertising campaigns and costs associated with marketing, site preparation, meetings, trade missions, and professional development.

Section 47 appropriates \$250,000 in recurring funds from the Grants and Donations Trust Fund to the Office of Rural Prosperity for the Rural Economic Development Strategy Grants.

Present Situation:

Inventory of Communities Seeking to Recruit Businesses

Each year by September 30 of each year, a county or municipality that has a population of at least 25,000 or its local economic development organization must submit to the Department of Commerce (department) a brief overview of the strengths, services, and economic development incentives that its community offers. The local government or its local economic development organization also must identify any industries that it is encouraging to locate or relocate to its area. Such local governments and organizations seeking to recruit businesses may submit information and may participate in any activity or initiative resulting from the collection, analysis, and reporting of the information to the department.

Effect of Proposed Changes:

Section 10 amends s. 288.007, F.S., to require each local government within a rural area of opportunity or its local economic development organization to submit the required information the Department of Commerce to be included in the inventory of communities seeking to recruit businesses.

⁵⁹ Section 288.007 F.S.

⁶⁰ Id.

⁶¹ *Id*.

Present Situation:

Agreements Funded with Federal or State Assistance

Current law requires an agency agreement that provides state financial assistance to a recipient or subrecipient, ⁶² or that provides federal financial assistance to a subrecipient, to include the following:

- A provision specifying scope of work that clearly establishes the tasks the recipient or subrecipient is required to perform;
- A provision dividing the agreement into quantifiable units of deliverables that must be received and accepted in writing by the agency before payment. Each deliverable must be directly related to the scope of work and must specify the required minimum level of service to be performed and the criteria for evaluating the successful completion of each deliverable;
- A provision specifying the financial consequences that apply if the recipient or subrecipient
 fails to perform the minimum level of service required in the agreement. The provision can
 be excluded in specified situations;
- A provision specifying that a recipient or subrecipient of federal or state financial assistance
 may expend funds only for allowable costs resulting from obligations incurred during the
 specified agreement period;
- A provision specifying that any balance of unobligated funds which has been advanced or paid must be refunded to the state agency;
- A provision specifying that any funds paid in excess of the amount to which the recipient or subrecipient is entitled must be refunded to the state agency; and
- Any additional information required pursuant to the Florida Single Audit Act. 63

Current law prohibits an agency agreement that provides state or federal financial assistance to local government entities within an RAO from requiring the local government entity to expend funds in order to be reimbursed. For these local government entities, an agency is authorized to advance funding based on an analysis of estimated costs, to pay service providers and vendors directly, or to undertake other options to meet the requirements of the agreement, allowing local governments in rural areas to be paid without spending their own capital first.⁶⁴

Effect of Proposed Changes:

Section 6 amends s. 215.971, F.S., to:

- Clarify provisions regarding the payment of invoices due and require agencies to expedite such payment requests for local governments.
- Require each state agency to annually report to the Office of Rural Prosperity (office), by August 1, a summary of the implementation of this provision for the previous fiscal year, which shall be a incorporated in the office annual report.

⁶² Section 215.97, F.S., defines a "subrecipient" as a nonstate entity that receives state financial assistance through another nonstate entity.

⁶³ Section 215.971(1)(a)-(g), F.S.

⁶⁴ Section 215.971, F.S (h) F.S.

Present Situation:

The Florida Small Business Development Center Network

Established in 2008, the Florida Small Business Development Center Network (SBDC) is the principal business assistance organization for small businesses in the state. The purpose of the network is to serve emerging and established for-profit, privately held businesses that maintain a place of business in the state.⁶⁵ The network is a consortium of regional small business development centers throughout the state that offer current and prospective small businesses consulting services, training opportunities, and access to other resources and information.⁶⁶ Regional centers are based at several of Florida's colleges and universities.⁶⁷ The SBDC is run by network's statewide director in consultation with a 19 member statewide advisory board.⁶⁸

The network is funded in part by the U.S. Small Business Administration, Department of Defense, State of Florida through appropriations, and other private and public partners, with the University of West Florida serving as the Network's designated lead host institution.⁶⁹ Half of any state funds received directly by a host institution which are specifically designated for the network are distributed for the following purposes:

- Ensuring that support services are available statewide, especially in underserved and rural areas of the state, to assist eligible businesses;
- Enhancing participation in the network among state universities and colleges; and
- Facilitating the adoption of innovative small business assistance best practices by the regional small business development centers.

Effect of Proposed Changes:

Section 9 amends s. 288.001, F.S., to:

- Require the SBDC Network to use certain funds for the specific purpose of expanding service in rural communities, including developing an activity plan focused on network consultants and resources in rural communities.
- Increase staffing for "circuit riders" who work with local governments and communities of their region to bring services, including access to capital, technical assistance, and other small business services to the region.

Section 41 appropriates \$1 million in recurring funds from the General Revenue Fund to the Office of Rural Prosperity to implement the requirements of the rural-focused Florida SBDC Network activity.

⁶⁵ Ch. 2008-149, L.O.F., codified as s. 288.001, F.S.

⁶⁶ America's SBDC Florida, Consulting Services, Available at https://floridasbdc.org/ (last visited Jan. 26, 2025)

⁶⁷ America's SBDC Florida, Our Network, Available at https://floridasbdc.org/ (last visited Jan. 26, 2025)

⁶⁸ Section 288.001 (3-4) F.S.

⁶⁹ America's SBDC Florida, About Funding, Available at https://floridasbdc.org/about/ (last visited Jan. 26, 2025)

Present Situation:

Fiscally Constrained Counties

Fiscally constrained counties are counties entirely within an RAO or where a 1-mill levy would raise no more than \$5 million in annual tax revenue. A "rural area of opportunity" is a rural community, or a region composed of rural communities, designated by the Governor, which has been adversely affected by an extraordinary economic event, severe or chronic distress, or a natural disaster. A rural area of opportunity may also be a community or communities that present a unique economic development opportunity of regional impact.

There are 29 counties that currently meet these conditions; Baker, Bradford, Calhoun, Columbia, Desoto, Dixie, Franklin, Gadsden, Gilchrist, Glades, Gulf, Hamilton, Hardee, Hendry, Highlands, Holmes, Jackson, Jefferson, Lafayette, Levy, Liberty, Madison, Okeechobee, Putnam, Suwannee, Taylor, Union, Wakulla, and Washington. Although each of the counties is designated by the Governor as a rural area of opportunity, Highlands' and Putnam's 1-mill levy currently surpass the \$5 million threshold.

Direct-to-Home Satellite Service Tax Distribution

Retail sales of direct-to-home satellite service received in Florida are subject to the communications service tax at the rate of 9.07 percent and the gross receipts tax at the rate of 2.37 percent.⁷⁴

From communications services tax receipts, 55.9 percent is distributed through the state's "standard" sales tax distribution formula.⁷⁵ The remaining 44.1 percent is transferred to the local government half-cent sales tax trust fund.⁷⁶

Seventy percent of the transfer is distributed formulaically to all counties within the state. The remaining 30 percent is distributed to fiscally constrained counties that are eligible to participate in the local government half-cent sales tax distribution.⁷⁷ Fiscally constrained counties may use the funds from this distribution for any public purpose, except for debt service.⁷⁸

⁷⁰ Section 218.67(1), F.S.

⁷¹ Section 288.0656, F.S.

⁷² Florida Department of Revenue, *Fiscally Constrained Counties*, https://www.floridarevenue.com/property/Documents/fcc_map.pdf (last visited Feb. 6, 2025).

⁷³ Executive Office of the Governor, see Executive Orders 20-170, 21-149, and 23-132, https://www.flgov.com/eog/news/executive-orders (last visited Feb. 6, 2025).

⁷⁴ Sections 202.12(1)(b) and 203.01(1)(b)2., F.S.

⁷⁵ Section 202.18(2)(b), F.S. See also: s. 212.20(6)(d), F.S. Gross receipts tax revenues are distributed to the Public Education Capital Outlay (PECO) and Debt Service Trust Fund in accordance with section 9 of Article XII of the State Constitution.

⁷⁶ Section 202.18(2)(c)1., F.S.

⁷⁷ Id.

⁷⁸ Section 218.67(5), F.S.

The collections from the tax on direct-to-home satellite service have declined in recent years; decreasing from \$18.1 million in Fiscal Year 2018-2019 to \$10.1 million in Fiscal Year 2023-2024.⁷⁹

Distribution Factors

Each fiscally constrained county receives a portion of the total direct-to-home satellite service distribution. At the beginning of each fiscal year, the Department of Revenue determines the amount to be distributed to each fiscally constrained county using the prior fiscal year's certified school taxable value, county millage rate, and latest April 1 county population, excluding prisoners. The following factors are created by the department to determine each county's relative share of the total distribution available for the coming fiscal year: 81

- The relative revenue-raising-capacity factor is based on a county's certified school taxable value and population and referred to in law as the ability of a county to generate property tax revenues from 1 mill on a per capita basis. 82 Counties that generate less per capita revenue receive a higher factor. For example, a county that raises \$25 or less per capita receives a factor value of 1; whereas a county that raises more than \$50 per capita receives a factor value of 0. In Fiscal Year 2024-2025, only three fiscally constrained counties were eligible for this factor. 83
- The local-effort factor is based on a county's millage rate and referred to in law as a measure of the relative level of local effort of a county as indicated by the millage rate levied for the prior fiscal year. 84 This factor guarantees that each county receives a portion of the total distribution. It uses the most recently adopted countywide operating millage rate for each eligible county and multiplies that millage rate by 0.1. For example, a county with a countywide operating millage rate of 6.73 would receive a factor value of 0.673.

Sales and Use Tax

Florida levies a 6 percent tax on the sale or rental of most items of tangible personal property, 85 admissions, 86 transient rentals, 87 and a limited number of services, as well as a 2 percent tax on commercial leases. 88 Sales tax is added to the price of the taxable good or service and collected from the purchaser at the time of sale. 89 Counties are authorized to impose local discretionary sales surtaxes in addition to the state sales tax. 90

⁷⁹ Florida Office of Economic and Demographic Research, *Ordinary, Emergency, Supplemental, and Fiscally-Constrained Distributions by County: SFY 1987-2024*, https://edr.state.fl.us/Content/local-government/data/data-a-to-z/g-l.cfm (last visited Feb. 6, 2025).

⁸⁰ Section 186.901, F.S.

⁸¹ Section 218.67(3)(a), F.S

⁸² Id

⁸³ Email correspondence with staff at the Department of Revenue, Feb. 6, 2025 (on file with the Committee on Finance and Tax).

⁸⁴ Section 218.67(3)(b), F.S.

⁸⁵ Section 212.05(1)(a)1.a., F.S.

⁸⁶ Section 212.04(1)(b), F.S.

⁸⁷ Section 212.03(1)(a), F.S.

⁸⁸ Section 212.031, F.S.

⁸⁹ Section 212.07(2), F.S.

⁹⁰ Section 212.055, F.S.

A portion of Florida's state sales and use tax collections are distributed to all eligible counties and municipalities through the County and Municipal Revenue Sharing programs and the Local Government Half-Cent Sales Tax program. These programs distributed to fiscally constrained counties, including municipalities within the counties, approximately \$363.0 million in Fiscal Year 2023-2024.⁹¹

In contrast to the tax on direct-to-home satellite service, collections from sales tax have increased from \$28.5 billion in Fiscal Year 2018-2019 to \$41.1 billion in Fiscal Year 2023-2024. Additionally, sales tax collections are based on sales of a wide variety of goods and some services, and change with the state's economic cycles.

Effect of Proposed Changes:

Section 4 amends s. 202.18, F.S., to redirect the 30 percent portion of direct-to-home satellite service tax from the Local Government Half-cent Sales Tax Trust Fund to the General Revenue Fund.

Section 5 amends s. 212.20, F.S., to create a new sales tax distribution for fiscally constrained counties. The new distribution is the greater of \$50 million or 0.1438 percent of available sales tax proceeds.

Section 7 amends s. 218.67, F.S., to replace the fiscally constrained county distribution factors discussed in the present situation with:

- The contribution-to-revenue factor. This factor is calculated by dividing the county's population by the sales tax collections attributable to the county and then multiplying by 100.
- The personal-income factor. This factor is calculated by dividing the median per capita personal income of participating counties by the county's per capita personal income.

Each county's proportional allocation of the newly created sales tax distribution must be the same proportion as the sum of the county's two new factors is to the sum of the two factors for all eligible counties. The bill also adds a requirement that the proportional rate computation must be carried to the fifth decimal place, and the amount to distribute to each county must be rounded to the next whole dollar amount.

The money distributed pursuant to this section must be allocated as follows: 50% of the distribution may be used for public safety, including for salaries for law enforcement, correctional officers, firefighters, emergency medical technicians, or paramedics, 30% may be used for infrastructure, and 20% may be used for any public purpose. Debt service is not allowed.

The bill removes the provision for a county to be classified as fiscally constrained if the county is entirely within a rural area of opportunity. It also increases the revenue qualification from where a 1-mill levy would raise no more than \$10 million, which is an increase from \$5 million.

⁹¹ Florida Department of Revenue, Office of Tax Research, General Tax Distributions, Forms 5 and 6, https://floridarevenue.com/DataPortal/Pages/TaxResearch.aspx (last visited Feb. 6, 2025).

⁹² Florida Office of Economic and Demographic Research, 2023 and 2024 Florida Tax Handbooks, https://edr.state.fl.us/content/revenues/reports/tax-handbook/ (last visited Feb. 6, 2025).

Effect of Proposed Changes:

Rural Communities Report

Section 8 amends s. 288.0001, F.S., to require OPPAGA and the Office of Economic and Demographic Research (EDR) to prepare a report on the impact of Florida Statutes on rural communities. Specifically, the two entities must review definitions in the Florida Statutes of terms such as "rural community," "rural area of opportunity," and similar terms used to define rural areas of the state to assess whether the current definitions are appropriate, whether appropriate metrics are used to describe these communities and if statutory changes are needed. OPPAGA and the EDR must also survey rural local governments to evaluate the statutory advantages of qualifying as rural local government and assess perceived unmet needs in the implementation of current statutory provisions designed to support rural communities.

OPPAGA and the EDR must submit a report and recommendations to President of the Senate and the Speaker of the House of Representatives by December 31, 2025. These provisions expire on July 1, 2026.

Present Situation:

State Housing Initiatives Partnership (SHIP) Program

The SHIP Program was created in 1992⁹³ to provide funds to local governments as an incentive to create partnerships that produce and preserve affordable homeownership and multifamily housing. The SHIP program provides funds to all 67 counties and 52 Community Development Block Grant⁹⁴ entitlement cities on a population-based formula to finance and preserve affordable housing based on locally adopted housing plans.⁹⁵ The program was designed to serve very-low, low-, and moderate-income families and is administered by Florida Housing Finance Corporation (FHFC). SHIP funds may be used to pay for emergency repairs, rehabilitation, down payment and closing cost assistance, impact fees, construction and gap financing, mortgage buydowns, acquisition of property for affordable housing, matching dollars for federal housing grants and programs, and homeownership counseling.⁹⁶

Funds are expended per each local government's adopted Local Housing Assistance Plan (LHAP), which details the housing strategies it will use. ⁹⁷ Local governments submit their LHAPs to the FHFC for review to ensure that they meet the broad statutory guidelines and the requirements of the program rules. The guaranteed minimum allocation amount that will be disbursed on a quarterly or more frequent basis by the FHFC to local governments is \$350,000. ⁹⁸

⁹³ Chapter 92-317, Laws of Fla.

⁹⁴ The CDBG program is a federal program created in 1974 that provides funding for housing and community development activities.

⁹⁵ See ss. 420.907-420.9089, F.S.

⁹⁶ Section 420.9072(7), F.S.

⁹⁷ Section 420.9075, F.S. Section 420.9075(3), F.S., outlines a list of strategies LHAPs are encouraged to employ, such as helping those affected by mobile home park closures, encouraging innovative housing design to reduce long-term housing costs, preserving assisted housing, and reducing homelessness.

⁹⁸ Section 420.9073 (3)(a-b) F.S.

Certain statutory requirements restrict a local government's use of funds made available under the SHIP program (excluding amounts set aside for administrative costs):

- At least 75 percent of SHIP funds must be reserved for construction, rehabilitation, or emergency repair of affordable, eligible housing;⁹⁹ and
- Up to 25 percent of SHIP funds may be reserved for allowed rental services. 100

Within those distributions by local governments, additional requirements must be met:

- At least 65 percent of SHIP funds must be reserved for home ownership for eligible persons; 101
- At least 20 percent of SHIP funds must serve persons with special needs; 102
- Up to 20 percent of SHIP funds may be used for manufactured housing; ¹⁰³ and
- At least 30 percent of SHIP funds must be used for awards to very-low-income persons or eligible sponsors serving very-low-income persons, and another 30 percent must be used for awards for low-income-persons or eligible sponsors serving low-income persons.¹⁰⁴

Effect of Proposed Changes:

Section 34 amends s. 420.9073, F.S., to increase the minimum SHIP allocation from \$350,000 to \$1 million.

Present Situation:

USDA Section 515 Rural Affordable Housing

The United States Department of Agriculture's (USDA) Section 515 program, which has existed since the 1960s, is a part of the national Rural Rental Housing program. Many of rural America's 65 million residents experience acute housing problems with nearly 30 percent of rural households experience at least one major housing problem, such as high cost, physical deficiencies, or overcrowding.¹⁰⁵

Under the Section 515 program, USDA Rural Development makes direct loans to developers to finance affordable multifamily rental housing for very low-income, low-income, and moderate-income families, for elderly people, and for persons with disabilities. Section 515 loans have an interest rate of 1%, amortized over 50 years, to finance modest rental or cooperatively-owned housing. ¹⁰⁶

⁹⁹ Section 420.9075(5)(c), F.S.

¹⁰⁰ Section 420.9075(5)(b), F.S. However, a local government may not expend money distributed to it to provide ongoing rent subsidies, except for: security and utility deposit assistance; eviction prevention not to exceed six months' rent; or a rent subsidy program for very-low-income households with at least one adult who is a person with special needs or is homeless, not to exceed 12 months' rental assistance.

¹⁰¹ Section 420.9075(5)(a), F.S. "Eligible person" or "eligible household" means one or more natural persons or a family determined by the county or eligible municipality to be of very low income, low income, or moderate income based upon the annual gross income of the household.

¹⁰² Section 420.9075(5)(d), F.S.

¹⁰³ Section 420.9075(5)(e), F.S.

¹⁰⁴ Section 420.9075(5)(g)2., F.S.

¹⁰⁵ National Low Income Housing Coalition, *USDA Rural Rental Housing Programs. Available at*https://nlihc.org/sites/default/files/AG-2019/04-13 USDA-Rural-Rental-Housing-Programs.pdf (last visited Jan. 27, 2025)
https://nlihc.org/sites/default/files/AG-2019/04-13 USDA-Rural-Rental-Housing-Programs.pdf (last visited Jan. 27, 2025)
https://nlihc.org/sites/default/files/AG-2019/04-13 USDA-Rural-Rental-Housing-Programs.pdf (last visited Jan. 27, 2025)
https://nlihc.org/sites/default/files/AG-2019/04-13 USDA-Rural-Rental-Housing-Programs.pdf (last visited Jan. 27, 2025)

Section 515 funds can be used for any new construction and for the rehabilitation of existing rural properties. Funding can also be used to buy or improve land, and to provide critical infrastructure for properties such as water and waste disposal systems. However, no new rental properties have been developed under Section 515 since 2011. 107

Effect of Proposed Changes:

Section 35 amends s. 420.9075, F.S., to supersede statutory restrictions on the use of SHIP funds to allow counties and municipalities to use up to 25 percent of their SHIP funds to preserve existing multifamily affordable rental housing financed with USDA loans. This provision expires on June 30, 2031.

Section 48 appropriates \$30 million in nonrecurring funds from the General Revenue Fund to the Florida Housing Finance Corporation (FHFC) to preserve affordable multifamily rental housing funded through USDA loans. Funds must be used to issue competitive requests for application for the rehabilitation or acquisition of such properties to ensure continued affordability.

By October 1, 2026, the FHFC must submit a report to the President of the Senate and the Speaker of the House of Representatives on projects funded pursuant to this section. The report must include the number of units preserved and the financing portfolio for each project.

Present Situation:

FDOT Support to Local Governments

The FDOT provides funding and support to Florida's cities and counties through a variety of local programs. For example, the Local Agency Program provides local governments with federal funds to develop, design, and construct transportation facilities. The FDOT administers these funds on behalf of the Federal Highway Administration. There are also a number of statesponsored programs designed to assist local governments, including:

- County Incentive Grant Program which provides grants to counties to improve transportation facilities located on the State Highway System or that relieve traffic congestion on the State Highway System;¹⁰⁹
- Transportation Regional Incentive Program which provides funds to improve regionally significant transportation facilities in certain regional transportation areas; 110
- Small County Road Assistance Program which assist small county governments in resurfacing or reconstructing county roads;¹¹¹ and
- Small County Outreach Program which assist small county governments in repairing or rehabilitating county bridges, paving unpaved roads, addressing road-related drainage improvements, resurfacing or reconstructing county roads. 112

¹⁰⁷ *Id*.

¹⁰⁸ Section 339.28201, F.S.

¹⁰⁹ Section 339.2817, F.S.

¹¹⁰ Section 339.2819, F.S.

¹¹¹ Section 339.2816, F.S.

¹¹² Section 339.2818, F.S.

Additionally, FDOT coordinates directly with Florida's non-metropolitan, rural local governments, those located outside of a designated metropolitan planning area, to address their transportation planning and programming needs.

Small County Road Programs

Small County Road Assistance Program (SCRAP)

The FDOT administers the SCRAP to assist small county governments in resurfacing or reconstructing county roads that were part of the county road system on June 10, 1995. Counties eligible to compete for funding based on population include those with a population of 75,000 or less according to the 1990 federal census. Under this criteria there are currently 33 counties eligible to receive funding through the program. Capacity improvements on county roads are not eligible for the SCRAP funding, except where the FDOT determines that widening existing lanes as part of a resurfacing or reconstruction project is necessary to address safety concerns. 114

Currently, up to \$25 million annually from the State Transportation Trust Fund may be used to fund the SCRAP. Available funds are allocated to the FDOT districts based on the number of counties eligible for funding under the criteria in s. 339.2816, F.S. The table below summarizes the SCRAP funding in the fiscal year 2025/2026 - 2029/2030 FDOT work program.

SCRAP Funding – FY 2025-2029 ¹¹⁶						
2025	2026	2027	2028	2029	Total	
\$26,854,023	\$25,000,001	\$25,000,001	\$25,000,001	\$25,000,001	\$126, 854,027	

Small County Outreach Program (SCOP)

The SCOP assists small counties in repairing or rehabilitating county bridges, paving unpaved roads, addressing road-related drainage improvements, resurfacing or reconstructing county roads, or constructing capacity or safety improvements to county roads. Small counties eligible to compete for project funding include those with a population of 200,000 or less as determined by the most recent official estimate of the Office of Economic and Demographic Research. Similar to the SCRAP, available funds are allocated to the FDOT districts based on the number of counties eligible for funding under the criteria in s. 339.2818, F.S. The table below summarizes the SCOP funding in the fiscal year 2025/2026 – 2029/2030 FDOT work program.

SCOP Funding – FY 2025 to FY 2029 ¹¹⁸							
	2025	2026	2027	2028	2029	Total	
SCOP	\$95,741,476	\$80,852,739	\$79,674,999	\$79,560,002	\$79,345,001	\$415,174,217	

¹¹³ Section 339.2816(4), F.S.

¹¹⁴ FDOT, *Work Program Instructions FY 25/26-29/30*, September 6, 2024, at p. 394, available at https://fdotewp1.dot.state.fl.us/fmsupportapps/Documents/development/WorkProgramInstructions.pdf

¹¹⁵ Section 339.2816(3), F.S.

¹¹⁶ FDOT, County Programs FY 2025-2030, available...

¹¹⁷ Section 339.2818, F.S.

¹¹⁸ FDOT, County Programs FY 2025-2030, available...

The FDOT is required to fund 75 percent of the cost of projects on county roads selected for funding under the program and the county must provide 25 percent of such costs. ¹¹⁹ Rural counties qualifying under the Rural Economic Development Initiative ¹²⁰ may apply for a waiver or reduction of the required 25 percent local match. ¹²¹ Subject to specific appropriation, municipalities within a rural area of opportunity may also compete for funding at up to 100 percent of the project costs. ¹²²

In 2024, the SCOP was amended to incorporate additional eligibility provisions. Specifically, subject to a specific appropriation, a local government either wholly or partially within the Everglades Agricultural Area, the Peace River Basin, or the Suwannee River Basin may compete for additional funding at up to 100 percent of project costs on state or county roads used primarily as farm-to-market connections between rural agricultural areas and market distribution centers, excluding capacity improvement projects. 123

Effect of Proposed Changes:

Section 25 amends s. 334. 044, F.S., relating to the powers and duties of the FDOT, to specifically authorize the department to provide technical assistance and support to counties that are not located in a metropolitan planning organization created pursuant to s. 339.175. F.S.

Section 26 amends s. 339.0801, F.S., to provide that certain funds that result from the increased revenue to the State Transportation Trust Fund derived pursuant to s. 319.32(5), F.S., ¹²⁴ must be used annually, beginning in the fiscal year 2025-2026, to support the Small County Road Assistance Program (SCRAP). This provision effectively increases funding for the SCRAP by approximately \$35 million annually.

Sections 27 and 30 amends ss. 339.2816, F.S., and creates an undesignated section of Florida law, respectively, to provide that FDOT must fund \$25 million annually for the SCRAP. The bill directs the FDOT, beginning in fiscal year 2025-2026, to utilize the additional revenues allocated by s. 339.0801, F.S., for the SCRAP. Finally, the bill codifies current provisions in the FDOT work program instructions which prohibit the use of funds for capacity improvements unless a safety issue exists or FDOT finds it necessary to widen existing lanes as part of a resurfacing or reconstruction project.

Section 28 amends s. 339.2818, F.S., relating to the Small County Outreach Program (SCOP) to remove obsolete statutory provisions and correct cross-references. Similarly, the bill revises the SCOP funding eligibility requirements to repeal an existing category for certain local governments located within the Everglades Agricultural Area or designated river basins.

¹¹⁹ Section 339.2818(4)(a), F.S.

¹²⁰ See s. 288.056, F.S., for a full description of the Rural Economic Development Initiative.

¹²¹ Supra note 9 at page 384.

¹²² Section 339.2818(7), F.S.

¹²³ Section 339.2818(8), F.S.

¹²⁴ Chapter 2012-128, Laws of Fla., amended s. 319.32(5), F.S., to redirect motor vehicle title fee revenues from general revenue to the State Transportation Trust Fund.

¹²⁵ Section 339.2816(3), F.S., currently provides that "...up to \$25 million annually from the State Transportation Trust Fund may be used for purposes of funding the Small County Road Assistance Program".

Present Situation:

Arterial Roads

Under Florida's Transportation Code "arterial road" means a route providing service which is relatively continuous and of relatively high traffic volume, long average trip length, high operating speed, and high mobility importance. ¹²⁶ Arterials include U.S. numbered highways and principal state roads that connect cities and towns. The FDOT's Functional Classification system distinguishes between urban and rural designations for arterial roads. ¹²⁷ The FDOT routinely manages and improves arterial roads to increase capacity and facilitate traffic throughput, while at the same time achieving the paramount goal of improving safety.

In 2021, the Legislature repealed the Multi-use Corridors of Regional Economic Significance (M-CORES) program and created several new initiatives related to arterial highway projects. ¹²⁸ For example, the FDOT is required to identify and include in the work program projects to increase capacity by widening existing two-lane arterial rural roads to four lanes. To be included in a work program project, the road must be classified as an arterial rural road, and truck traffic using the road must amount to at least 15 percent of all such traffic, as determined by the department. The FDOT is required to fund at least \$20 million annually for such projects. ¹²⁹

Effect of Proposed Changes:

Sections 3 and 29 amend ss. 201.15 and 339.68, F.S., respectively, to repeal the current provisions relating to arterial roads and create the Florida Arterial Road Modernization (FARM) Program. The purpose of the program is to make capacity and safety improvements to two-lane arterial roads located in rural communities. Beginning in fiscal year 2025-2026, the FDOT is directed to allocate from the State Transportation Trust Fund a minimum of \$50 million annually to fund the program. This includes an additional \$30 million redirected by the bill from documentary stamp taxes revenues into the State Transportation Trust Fund and the \$20 million currently required to be allocated to the existing rural arterial road program.

The FDOT is directed to use the following criteria to prioritize projects for funding under the program:

- Whether the road has documented safety concerns or requires additional safety and design
 improvements. This may be evidenced by the number of fatalities or crashes per vehicle mile
 traveled.
- Whether the road has or is projected to have a significant amount of truck tractor traffic as determined by FDOT.
- Whether the road is used to transport agricultural products and commodities from the farm to the market or other sale or distribution point.

¹²⁶ Section 334.03(1), F.S.

¹²⁷ FDOT, 2020 *Urban Area Boundary and Functional Classification Handbook*, https://fdotwww.blob.core.windows.net/sitefinity/docs/default-source/statistics/docs/urbanfunclass.pdf?sfvrsn=84c718c4_15 https://fdotwww.blob.core.windows.net/sitefinity/docs/default-source/statistics/docs/urbanfunclass.pdf?sfvrsn=84c718c4_15 https://fdotwww.blob.core.windows.net/sitefinity/docs/default-source/statistics/docs/urbanfunclass.pdf?sfvrsn=84c718c4_15 https://fdotwww.blob.core.windows.net/sitefinity/docs/default-source/statistics/docs/urbanfunclass.pdf?sfvrsn=84c718c4_15 https://fdotwww.blob.core.windows.net/sitefinity/docs/default-source/statistics/docs/urbanfunclass.pdf?sfvrsn=84c718c4_15 https://fdotwww.blob.core.windows.net/sitefinity/docs/default-source/statistics/docs/urbanfunclass.pdf?sfvrsn=84c718c4_15 https://fdotwww.blob.core.windows.net/sitefinity/docs/default-source/statistics/docs/urbanfunclass.pdf?sfvrsn=84c718c4_15 https://fdotwww.blob.core.windows.net/sitefinity/docs/default-source/statistics/docs/urbanfunclass.pdf?sfvrsn=84c718c4_15 https://docs/urbanfunclass.pdf?sfvrsn=84c718c4_15 https://docs/urbanfunclass.pdf.sfvrsn=84c718c4_15 https://docs/urbanfunclass.pdf.sfvrsn=84c718c4_15 https://docs/urbanfunclass.pdf.sfvrsn=84c718c4_15 https://docs/

¹²⁹ Section 339.68, F.S.

¹³⁰ For purposes of the program "rural community" has the same meaning as provided in s. 288.0656, F.S.

¹³¹ The bill amends s. 201.15, F.S., to specify that \$30 million in documentary stamp taxes must be paid to the credit of the State Transportation Trust Fund and used exclusively for the FARM Program.

 Whether the road is used to transport goods to or from warehouses, distribution centers, or intermodal logistics centers.

- Whether the road is used as an evacuation route.
- Whether the physical condition of the road meets department standards.
- Whether the road has, or is projected to have within the next five years, a level of service of D, E, or F.
- Any other criteria related to the impact of a project on the public road system or on the state or local economy as determined by FDOT.

Beginning January 1, 2027, and every two years thereafter, the FDOT must issue a report to the Governor, the President of the Senate and the Speaker of the House of Representatives evaluating the condition of arterial roads in rural communities and the implementation of the FARM Program.

Present Situation:

Rural Health Care

Data on Patient Outcomes

Studies continue to highlight health disparities between patient outcomes in rural and non-rural areas. Recent data indicates that rural Americans are at 30 percent higher risk of stroke, 40 percent more likely to develop heart disease, and live an average of three years fewer than urban counterparts. 132

A study published by the CDC in 2021 indicated a stroke treatment disparity in Florida, favoring urban counties with more primary stroke centers than rural counties. ¹³³ Stroke death rates appear to be in correlation. ¹³⁴ The study recommended the use of telemedicine for stroke treatment to reduce the disparity, listing availability and affordability as a potential constraint. ¹³⁵

A review of the CDC Pregnancy Mortality Surveillance System found pregnancy-related mortality ratios from 2011 to 2016 were highest in rural areas (19.5-24.4 deaths per 100,000), as compared to urban areas (15.7-17.9 deaths per 100,000). In the year following a hospital's closure of a labor and delivery unit in rural and urban-adjacent counties, out-of-hospital births and preterm births increase, putting more pressure on rural emergency management system (EMS) staff and volunteers to be prepared for obstetrical emergencies. ¹³⁶

¹³² American Heart Association, *Rural Health Initiative*, available https://www.heart.org/en/professional/quality-improvement/rural-healthcare-outcomes-accelerator (last visited Feb. 24, 2025). Marinacci, L, Zheng, Z, Mein, S. et al. Rural-Urban Differences in Cardiovascular Mortality in the United States, 2010-2022. *JACC*. 2025 Jan, 85 (1) 93–97, available at https://www.jacc.org/doi/full/10.1016/j.jacc.2024.09.1215 (last visited Feb. 24, 2025).

¹³³ Centers for Disease Control, Examining Stroke Disparities in Florida: Relationships Among County Classification, Age-Adjusted Stroke Mortality Rates, and the Presence of Primary Stroke Centers, June 10, 2021, available at https://www.cdc.gov/pcd/issues/2021/20_0561.htm#References (last visited Feb. 24, 2025).

¹³⁴ *Id*.

¹³⁵ *Id*.

¹³⁶ National Rural Health Association, *Maternal Health in Rural America White Paper*, February 2024, available at https://www.ruralhealth.us/nationalruralhealth/media/documents/maternal-health-in-rural-america-white-paper-final-(1).pdf (last visited Feb. 24, 2025). Kozhimannil, K. B., Hung, P., Henning-Smith, C., Casey, M. M., & Prasad, S. (2018).

Effect of Proposed Changes:

Section 32 creates s. 381.9856, F.S., to establish the Stroke, Cardiac, and Obstetric Response and Education (SCORE) Grant Program within the Department of Health (DOH) for the purpose of improving patient outcomes and the coordination of emergency medical care in rural communities. The DOH is required to award grants, in amounts of no more than \$100,000 per year, to high risk providers¹³⁷ serving rural communities to:

- Implement a blended learning training program for health care providers in stroke care protocols and best practices.
- Purchase simulation equipment and technology for training.
- Establish telehealth capabilities between pre-hospital providers, such as paramedics or emergency medical technicians, and in-hospital providers, such as neurologists, to expedite emergency stroke care, emergency cardiac care, or emergency obstetric care.
- Develop quality improvement programs in one or more of the following specialty areas: emergency stroke care, emergency cardiac care, or emergency obstetric care.

The DOH must give priority to SCORE proposals that demonstrate collaboration between prehospital and in-hospital providers or show potential for significant improvement in patient outcomes in rural communities. Grant recipients must submit quarterly reports to the DOH, which must include program activities, expenditures, and outcomes. The DOH is also tasked with monitoring implementation and outcomes. The DOH must submit an annual report to the Governor, the President of the Senate, and the Speaker of the House of Representatives by December 1 of each year. The DOH may adopt rules to implement the grant program. The grant program may be implemented only to the extent that it is specifically funded. The program stands repealed on July 1, 2030, unless reviewed and saved from repeal through enactment by the Legislature.

Present Situation:

Rural Health Disparities

Access to timely health care services has been a long-standing issue for rural communities. There are many barriers to care that make access difficult in rural communities, including health care workforce shortages, higher poverty rates and lower insurance coverage rates, and longer distances to health care facilities compared to urban residents. One major issue in providing sufficient care in rural communities is a lack of providers. A report from the United States Department of Health and Human Services: Health Resources and Services Administration (HRSA) shows fewer health care providers in rural areas over multiple license types. 139 For

Association Between Loss of Hospital-Based Obstetric Services and Birth Outcomes in Rural Counties in the United States. *JAMA*, *319*(12), 1239–1247, available at https://pubmed.ncbi.nlm.nih.gov/29522161/ (last visited Feb. 24, 2025). ¹³⁷ The bill defines the term "high-risk care provider" as a licensed health care facility or licensed ambulance service that regularly provides emergency or ongoing care to patients experiencing a stroke, heart attack, or pregnancy-related emergency.

¹³⁸ Access to Specialty Care for Medicare Beneficiaries in Rural Communities, Lahr, Megan et. al., University of Minnesota Rural Health Research Center, 2019, available at https://rhrc.umn.edu/wp-content/uploads/2019/12/UMN-Access-to-Specialty-Care 12.4.pdf (last visited Feb. 24, 2025).

Distribution of U.S. Health Care Providers Residing in Rural and Urban Areas, United States Department of Health and Human Services: Health Resources and Services Administration, available at United States Department of Health and Human Services: Health Resources and Services Administration, (last visited Feb. 24, 2025).

example, at the time of the study there were 13.1 physicians/surgeons per 10k residents in rural areas compared with 31.2 in urban areas, 3 psychologists per 10k residents in rural areas compared with 6.8 in urban areas, 2.3 physician assistants per 10k residents in rural areas compared with 3.4 in urban areas, and 85.3 registered nurses per 10k residents in rural areas compared with 93.5 in urban areas. 140

About 20 percent of Americans live in rural areas, but barely one-tenth of physicians practice there. The federal government projects a shortage of over 20,000 primary care physicians in rural areas by 2025. Primary care physicians in rural areas often do not have the support of subspecialists, hospitalists, or emergency physicians, and thus treat a wider range of conditions with limited access to sophisticated technology. Most are required to admit and take care of patients in community-based hospitals, many of which are gravitating toward an emergency room and short-stay models of care, moving more complex patients to larger medical centers. ¹⁴¹ A lack of primary care has been shown to have a direct impact on mortality rates with an increase in 10 primary care physicians per 100,000 population correlating with an 51.5-day increase in life expectancy. ¹⁴²

Another barrier to accessing health care in rural areas is lack of reliable transportation and the need to travel long distances to find practitioners. Rural areas can also lack public transportation options and have poor road conditions which make it more difficult to travel to find health care. Rural populations most likely to need transportation services to maintain their health and well-being include:

- Older adults;
- People with disabilities;
- Low-income individuals and families;
- Veterans; and
- People with special healthcare needs, who often must travel long distances to access care. 144

Effect of Proposed Changes:

Section 31 creates s. 381.403, F.S., to establish the Rural Access to Primary and Preventive Care (RAPP-C) Grant Program. The bill provides legislative findings that primary and preventative care is critical for the well-being of the residents of Florida and that rural areas have significantly fewer physicians and autonomous ARNPs. The bill defines the terms:

• "Autonomous advanced practice registered nurse" to mean an advanced practice registered nurse who is registered under s. 464.0123, F.S., to engage in autonomous practice.

¹⁴¹ Nielsen M, D'Agostino D, Gregory P. Addressing Rural Health Challenges Head On. Mo Med. 2017 Sep-Oct;114(5):363-366. PMID: 30228634; PMCID: PMC6140198. Available at https://pmc.ncbi.nlm.nih.gov/articles/PMC6140198/#b3-ms114_p0363 (last visited Feb. 25, 2025).

¹⁴⁰ Id. p. 2

¹⁴² Basu S, Berkowitz SA, Phillips RL, Bitton A, Landon BE, Phillips RS. Association of Primary Care Physician Supply With Population Mortality in the United States, 2005-2015. *JAMA Intern Med.* 2019;179(4):506–514. doi:10.1001/jamainternmed.2018.7624, available at

https://jamanetwork.com/journals/jamainternalmedicine/fullarticle/2724393 (last visited Feb. 25, 2025).

¹⁴³ Rural Health Disparities, Rural Health Information Hub, available at https://www.ruralhealthinfo.org/topics/rural-health-disparities#causes, (last visited Feb. 25, 2025).

¹⁴⁴ Transportation to Support Rural Healthcare, Rural Health Information Hub, available at https://www.ruralhealthinfo.org/topics/transportation, (last visited Feb. 25, 2025).

• "Majority ownership" to mean ownership of more than 50 percent of the interests in a private practice.

- "Physician" to mean a physician licensed under chs. 458 or 459, F.S.
- "Preventive care" to mean routine health care services designed to prevent illness. The term includes, but is not limited to, general physical examinations provided on an annual basis, screenings for acute or chronic illnesses, and patient counseling to promote overall wellness and avoid the need for emergency services.
- "Primary care" to mean health care services focused primarily on preventive care, wellness care, and treatment for common illnesses. The term may include the health care provider serving as a patient's entry point into the overall health care system and coordinating a patient's care among specialists or acute care settings. The term does not include elective services provided solely for cosmetic purposes.
- "Program" to mean the RAPP-C grant program.
- "Qualifying rural area" to mean a rural community as defined in s. 288.0657, F.S. in this state which is also designated as a health professional shortage area by the HRSA.

The bill requires the DOH to award grants under the RAPP-C to physicians and autonomous ARNPs who intend to open a new private practice in a qualifying rural area or to open a new location within a qualifying rural area that is in a different county from their current practice. In order to qualify, the practice must:

- Have majority ownership by physicians or autonomous ARNPs. Majority ownership may include up to five physicians or autonomous advanced practice registered nurses in partnership.
- Be physically located in a qualifying rural area and serve patients who live in that qualifying rural area or in other nearby qualifying rural areas. While the practice may use telehealth to supplement the services provided at the location, the majority of services provided by the practice must be provided at the physical location.
- Accept Medicaid patients.
- Provide services in one or more of the following specialties:
 - o If the practice has majority ownership by one or more autonomous advanced practice registered nurses, provide services solely in primary or preventive care.
 - If the practice has majority ownership by one or more physicians, provide services in primary care, obstetrics, gynecology, general and family practice, geriatrics, internal medicine, pediatrics, or psychiatry.

Additionally, the owners of the practice must commit to providing deidentified patient encounter data and a detailed report of the use of grant funds to the DOH on an annual basis.

By March 1, 2026, the DOH is required to create an application process for the RAPP-C which requires the applicant to provide a detailed budget of the anticipated use of grant funds and how the practice will meet the above requirements. The DOH is required to establish a ranking system to determine which applicants will be awarded grants if there are more applicants for the program than can be awarded grants with appropriated funds.

Subject to appropriation, the DOH may award up to \$250,000 to eligible applicants which may be used for the following expenses:

- Facility construction, acquisition, renovation, or lease.
- Purchasing medical equipment.
- Purchasing or implementing information technology equipment or services.
- Purchasing or implementing telehealth technology.
- Training on the use of medical equipment, information technology, or telehealth technology implemented under paragraph (b), paragraph (c), or paragraph (d), respectively.

The bill specifies that grant funds may not be used for:

- Salaries.
- Utilities.
- Internet or telecommunications services other than those necessary for implementing telehealth technology.
- Insurance.
- Incidental maintenance and repairs.
- Disposable medical supplies.
- Medicines or vaccines.
- Licensing or certification fees, including costs for continuing education other than training specified above.

Only one grant may be awarded per practice and the bill requires the DOH to enter into a contract with each grant recipient which details the requirements for the expenditure of grant funds for that recipient and must include:

- The purpose of the contract.
- Specific performance standards and responsibilities for the recipient under the contract, including penalties for not meeting such performance standards and responsibilities.

Section 49 appropriates \$25 million in nonrecurring funds from the General Revenue Fund to the DOH to implement the RAPP-C grant program. Grant funds will be awarded over a 5-year period.

Present Situation:

Rural Hospital Capital Improvement (RHCI) Grant Program

Section 395.6061, F.S., establishes the RHCI grant program. The program is available to rural hospitals¹⁴⁵ that apply and guarantee, subject to appropriation, at least \$100,000 per hospital to fund projects to acquire, repair, improve, or upgrade systems, facilities and equipment. Between

¹⁴⁵ A rural hospital is defined in s. 395.602, F.S., to include an acute care hospital licensed under this chapter, having 100 or fewer licensed beds and an emergency room, which is: the sole provider within a county with a population density of up to 100 persons per square mile; an acute care hospital, in a county with a population density of up to 100 persons per square mile, which is at least 30 minutes of travel time, on normally traveled roads under normal traffic conditions, from any other acute care hospital within the same county; a hospital supported by a tax district or subdistrict whose boundaries encompass a population of up to 100 persons per square mile; a hospital classified as a sole community hospital under 42 C.F.R. s. 412.92, regardless of the number of licensed beds; a hospital with a service area that has a population of up to 100 persons per square mile; or a hospital designated as a critical access hospital, as defined in s. 408.07. According to Florida Health Finder, there are 24 rural hospitals in Florida.

fiscal years 2023-2025 the grant program has helped to fund numerous improvement projects at rural hospitals including, but not limited to:

- Adding a third chiller at AdventHealth Palm Coast;
- Purchasing a leased building which houses a rural health clinic by AdventHealth Wachula;
- Replacing nuclear medicine camera equipment and upgrading and refreshing patient rooms and air conditioning at Ascension Sacred Heart Emerald Coast;
- Replacing the air conditioning system at Doctors' Memorial Hospital in Bonifay; and
- Renovating emergency department space at Doctors' Memorial Hospital in Perry and Ed Fraser Memorial Hospital in Mcclenny. 146

Effect of Proposed Changes:

Section 33 amends s. 395.6061, F.S., to expand the RHCI grant program to allow rural hospitals to use grant funds to establish mobile care units to provide primary care, behavioral health, or obstetric and gynecologic services in a rural health professional shortage area; or to establish telehealth kiosks to provide urgent and primary care services remotely in rural health professional shortage areas. The bill defines:

- "Preventive care" to mean routine health care services designed to prevent illness. The term includes, but is not limited to, general physical examinations provided on an annual basis, screenings for acute or chronic illnesses, and patient counseling to promote overall wellness and avoid the need for emergency services.
- "Primary care" to mean health care services focused primarily on preventive care, wellness
 care, and treatment for common illnesses. The term may include the health care provider
 serving as a patient's entry point into the overall health care system and coordinating a
 patient's care among specialists or acute care settings. The term does not include elective
 services provided solely for cosmetic purposes.
- "Rural health professional shortage area" to mean a rural community as defined in s. 288.0657, F.S., which is also designated as a health professional shortage area by the HRSA.

Section 51 appropriates \$25 million in nonrecurring funds from the General Revenue Fund are appropriated in fixed capital outlay to DOH for the purpose of implementing the rural hospital capital improvement grant program

Present Situation:

Regional Educational Consortia

School districts with 20,000 or fewer students, developmental research (laboratory) schools, and the Florida School for the Deaf and the Blind may enter into cooperative agreements to form a regional consortium service organization (regional consortium). Regional consortium service organizations (regional consortia) are intended to provide programs and services to small school

¹⁴⁶ A full list of all projects is on file with Senate Health Policy Committee staff.

¹⁴⁷ Section 1001.451(1), F.S.

districts to save money, increase student achievement, and improve organizational efficiency via economies of scale and collaboration. 148

There are three regional consortia: the Heartland Educational Consortium (HEC),¹⁴⁹ the North East Regional Consortium (NEFEC),¹⁵⁰ and the Panhandle Area Educational Consortium (PAEC).¹⁵¹ Florida's Regional Consortia members include 36 school districts, 430 schools, 12,000 teachers, and 160,000 students.¹⁵²

Each regional consortium must provide, at a minimum, three of the following services: exceptional student education; teacher education centers; environmental education; federal grant procurement and coordination; data processing; health insurance; risk management insurance; staff development; purchasing; or planning and accountability. Each regional consortium receives an incentive grant of \$50,000 per school district and eligible member to be used for the delivery of services within the participating school districts. The determination of services and use of such funds is determined by the board of directors of the regional consortium. ¹⁵⁴

The board of directors of a regional consortium may use various means to generate revenue in support of its activities, which may include patents, copyrights, and trademarks and licenses. Such funds must be used to support the organization's marketing and research and development activities in order to improve and increase services to its member districts. ¹⁵⁵

Effect of Proposed Changes:

Sections 36 amends s. 1001.451, F.S., to expand services, incentive grants, and authority over the use of funds by regional consortium service organizations (regional consortia). The bill authorizes the regional consortia boards of directors to determine the number of services to offer, and adds to those services safe schools support; state grant procurement; professional learning; college, career, and workforce development; and business and operational services.

The bill increases the allocation to the regional consortia from \$50,000 per member to \$150,000 per member. Each regional consortium must submit quarterly financial reports to members, and an annual report to the Department of Education regarding the use of funds for consortia

¹⁴⁸ Heartland Educational Consortium, North East Florida Educational Consortium, Panhandle Area Educational Consortium, *Florida's Regional Consortia*, Presentation to the Florida Senate Committee on Education Pre-K - 12 (Feb. 4, 2025), *available at* (https://www.flsenate.gov/Committees/Show/ED/MeetingPacket/6290/10954 MeetingPacket 6290 2.pdf, at 6. ¹⁴⁹ HEC serves six member districts: DeSoto, Glades, Hardee, Hendry, Highlands, and Okeechobee.

¹⁵⁰ NEFEC serves 13 member districts: Baker, Bradford, Columbia, Dixie, Flagler, Gilchrist, Hamilton, Lafayette, Levy, Nassau, Putnam, Suwannee, and Union. NEFEC also serves the Florida School for the Deaf and the Blind and the P.K. Yonge Developmental Research School.

¹⁵¹ PAEC serves 13 member districts: Calhoun, Franklin, Gadsden, Gulf, Holmes, Jackson, Jefferson, Liberty, Madison, Taylor, Wakulla, Walton, Washington. PAEC also serves the FSU Collegiate School and FAMU Developmental Research School.

¹⁵² Heartland Educational Consortium, North East Florida Educational Consortium, Panhandle Area Educational Consortium, *Florida's Regional Consortia*, Presentation to the Florida Senate Committee on Education Pre-K - 12 (Feb. 4, 2025), *available at* https://www.flsenate.gov/Committees/Show/ED/MeetingPacket/6290/10954 MeetingPacket 6290 2.pdf, at 6. ¹⁵³ Section 1001.451(1), F.S.

¹⁵⁴ Section 1001.451(2), F.S.

¹⁵⁵ Section 1001.451(5), F.S.

services. Of the allocation, the bill specifies that unexpended amounts must be carried forward into the approved operating budget for the following year.

The bill codifies current practice that a member district must serve as the fiscal agent for regional consortium contractual and reporting purposes. The bill specifies compensation to the fiscal agent and to each regional consortium for activities. Employees of the regional consortium are employees of the fiscal agent district; the regional consortium recommends appointments to the fiscal agent and recommends a salary schedule and job description for its personnel. However, the bill authorizes the regional consortium to purchase or lease property and facilities independent of the fiscal agent district.

The bill increases the alternate revenue sources for a regional consortium board of directors to include contracting for services to nonmember school districts. Of these additional funds, the bill removes the requirement that all such additional funds be used for development and marketing; the bill authorizes the board of directors to determine fund use. These funds may be carried forward for maintaining or expanding services, facilities maintenance, terminal pay, and other liabilities.

Finally, the bill authorizes each regional consortium to administer the Regional Consortia Service Organization Supplemental Services Program.

Section 54 appropriates \$3.6 million in recurring funds from the General Revenue Fund to DOE to fund the increased grant allocations for regional consortia, pursuant to section 36 of the bill..

Section 37 creates s. 1001.4511, F.S., to establish the Regional Consortia Service Organization Supplemental Services Program (supplemental services) to provide additional resources to regional consortium service organizations for programs and services offered to members. The supplemental services funds may be used for transportation; district finance personnel services; property insurance; cybersecurity support; school safety; college, career, and workforce development; academic support; and behavior support within exceptional student education services. Each board of directors will determine the use of supplemental services funds through cooperative agreements with regional consortium members.

The bill authorizes the regional consortium to carry forward unused supplemental services funds for up to five years. The regional consortium must annually report to the Legislature on the distribution of funds and member services provided.

Section 55 appropriates \$25 million in recurring funds from the General Revenue Fund to DOE to be distributed to regional consortium service organizations as follows:

- \$5,555,149 to the Heartland Educational Consortium;
- \$11,912,923 to the North East Florida Educational Consortium;
- and \$7,531,928 to the Panhandle Area Educational Consortium.

The funds must be distributed to each regional consortium service organization no later than 30 days following the release of the funds to the department.

Present Situation:

Instructional Personnel in Rural Districts

Schools, especially those with inadequate resources, can experience difficulty hiring teachers and high turnover. These issues are linked with the availability of new teachers, salaries, and working conditions. For example, rural schools may have limited instructional staff, which necessitates recruiting teachers with multiple subject endorsements. Staff members may teach multiple subjects, multiple grades, and sometimes multi-age students within the same classroom. More-rural schools face higher transportation costs that can siphon resources away from other budget items, such as teacher salaries. Housing shortages and limited access to hospitals, banks, stores, cultural facilities, and higher education institutions may also negatively impact teacher recruitment in rural areas. The Rural communities face challenges related to competition from higher urban compensation schedules, housing shortages, and a lack of support resources commonly found in urban areas.

In 2020–21, a higher percentage of schools in rural areas than of schools in cities and suburban areas found it very difficult or not possible to fill teaching vacancies in foreign languages, English or language arts, social studies, mathematics, biology or life sciences, music or art, and physical education or health.¹⁵⁹

Also in 2020–21, more than 20 percent of private schools in rural areas that had teaching vacancies in specific fields found it very difficult to fill or were not able to fill vacancies in the physical education or health, special education, computer science, mathematics, foreign languages, physical sciences, and biology or life sciences. ¹⁶⁰

Effect of Proposed Changes:

Section 38 creates s. 1009.635, F.S., to establish the Rural Incentive for Professional Educators (RIPE) program within the Office of Student Financial Assistance in the Department of Education (DOE). In order to support the recruitment and retention of qualified instructional personnel in rural communities, the RIPE program provides up to \$15,000 in total student loan repayment assistance over 5 years, disbursed in annual payments up to \$3,000 per year.

¹⁵⁶ National Center for Education Statistics, *Difficulty Hiring Teachers in Rural Areas*, https://nces.ed.gov/programs/coe/indicator/llc (last visited Feb. 25, 2025).

¹⁵⁷ Principal's Research Review, *Recruiting and Retaining Rural Educators: Challenges and Strategies* (v. 7, Issue 6, Nov. 2012) *available at* https://nisnresourcehub.org/wp-content/uploads/2021/01/Recruiting-and-Retaining-Rural-Educators-Challenges-and-Strategies.pdf, at 2.

¹⁵⁸ EdSource, Rural counties far from universities struggle to recruit teachers, https://edsource.org/2024/rural-counties-far-from-universities-struggle-to-recruit-graph-teachers, https://edsource.org/2024/rural-counties-far-from-universities-struggle-to-recruit-graph-teachers, https://edsource.org/2024/rural-counties-far-from-universities-struggle-to-recruit-graph-teachers, https://edsource.org/2024/rural-counties-far-from-universities-struggle-to-recruit-graph-teachers, https://edsource.org/2024/rural-counties-far-from-universities-struggle-to-recruit-graph-teachers.

teachers/710566#:~:text=Rural%20teachers%20scarce,candidates%2C%20according%20to%20the%20study (last visited Feb. 26, 2025).

¹⁵⁹ National Center for Education Statistics, *Difficulty Hiring Teachers in Rural Areas*, https://nces.ed.gov/programs/coe/indicator/llc (last visited Feb. 25, 2025). ¹⁶⁰ *Id.*

To be eligible for the RIPE program, an individual must:

• Establish permanent residency on or after July 1, 2025, in a rural area of opportunity. The address on a state-issued identification card or driver license is evidence of residence.

- Secure full-time employment as a teacher or administrator in a public or private school in the same district of residence.
- Hold an associate degree, bachelor's degree, postgraduate degree, or certificate from an
 accredited institution earned before establishing residency.
- Have an active student loan balance incurred for the completion of the qualifying degree or certificate.

Before disbursement of an award, the DOE must verify that the participant has maintained continuous enrollment in the school district in an instructional or administrative role, has a evaluation rating of effective or highly effective, and has not been subject to specified disciplinary actions.

The DOE must develop application procedures requiring documentation, including proof of residency, verification of employment, official academic transcripts, and details of outstanding student loans. The bill requires the State Board of Education to adopt rules no later than January 31, 2026, to administer the RIPE program.

Section 56 appropriates \$7 million in recurring funds from General Revenue Fund to the DOE for the RIPE Program.

Present Situation:

Special Facility Construction Accounts

The Special Facility Construction Account (SFCA) within the Department of Education is used to provide necessary construction funds to school districts that have urgent construction needs but lack sufficient resources, and cannot reasonably anticipate sufficient resources within the next 3 years. These projects typically are located in rural school districts that have an insufficient tax base to fund large construction projects. The state's smaller school districts, which serve 20,000 or fewer students, generally raise considerably less through local discretionary property taxes than larger Florida school districts. As a result, small school districts may have a difficult time raising the local funds needed to pay for new schools. In 2023, rural school districts that were members of regional consortium service organizations occupied ranks 36-67 in taxable values and values of the 1.5 mill discretionary levy.

A district that receives funds under the SFCA must, for three years prior to submitting an application for funds, and for a continuing period necessary to meet its participation requirement, levy the maximum millage against the district's nonexempt assessed property value as authorized

¹⁶¹ Section 1013.64(2)(a), F.S.

¹⁶² Office of Program Policy Analysis & Government Accountability, *Special Facility Construction Projects Appear Needed, but Have Excess Capacity* (Report 11-02, Jan. 2011) *available at* https://oppaga.fl.gov/Documents/Reports/11-02.pdf, at 1-2. ¹⁶³ Heartland Educational Consortium, North East Florida Educational Consortium, Panhandle Area Educational Consortium, *Florida's Regional Consortia*, Presentation to the Florida Senate Committee on Education Pre-K - 12 (Feb. 4, 2025), *available at* (https://www.flsenate.gov/Committees/Show/ED/MeetingPacket/6290/10954 MeetingPacket 6290 2.pdf, at 10.

under s. 1011.71(2) or raise an equivalent amount of revenue from the school capital outlay surtax authorized under s. 212.055(6). In addition, a district must budget the value of 1 mill per year to the project until the participation requirement requirement to the discretionary capital improvement levy or capital outlay surtax is satisfied. A district may not receive funding for more than one approved project in any 3-year period or while any portion of the district's participation requirement is outstanding.

Since 2014-2015, 16 school districts have received a total of \$1,080,133,481 from the SFCA. 167

Effect of Proposed Changes:

Section 40 amends s. 1013.64, F.S., to modify the participation requirement in s. 1013.64, F.S., for a school district that receives funds under the Special Facility Construction Account (SFCA).

The bill specifies that, for new construction projects under the SFCA, beginning in the 2025-2026 fiscal year, the district is not required to budget the value of 1 mill per year toward the project, but must use those funds toward authorized capital purchases specified in law. However, the bill maintains a requirement that the district levies the maximum 1.5 mills ad valorem tax or raise an equivalent revenue from the school capital outlay surtax for the three years prior to the application for funds, and for the initial year of appropriation plus two additional years.

Eleven school districts that have received funds since 2020-2021 under the SFCA have an outstanding participation requirement of \$111,254,828;¹⁶⁸ these districts would be required to complete the terms of the participation agreement. However, under the bill such districts with existing projects more than three years old would be eligible to apply for funds for an additional project.

Present Situation:

Charter School Capital Outlay Funding

Charter school capital outlay funding consists of state funds when such funds are appropriated in the General Appropriations Act and revenue resulting from the 1.5 mill discretionary capital improvement levy authorized in law.¹⁶⁹

If the school board levies the discretionary capital improvement millage, the Department of Education (DOE) must, when determining the amount of revenue that a school district must distribute to each eligible charter school, reduce from the total amount the total discretionary millage revenue by the school district's annual debt service obligation incurred as of March 1, 2017, which has not been subsequently retired, and any amount of participation requirement

¹⁶⁴ The participation requirement is unencumbered and future revenue from school bonds under Art. XII, s. 9(d), Fla. Const., the discretionary capital improvement levy under s. 1011.71(2), and the amounts from the Public Education Capital Outlay and Debt Service Trust Fund in the year of the initial appropriation and for the 2 years immediately following the initial appropriation. Section 1013.64(2)(a)11., F.S.

¹⁶⁵ Section 1013.64(2)(a)8., F.S.

¹⁶⁶ Section 1013.64(2)(a), F.S.

¹⁶⁷ Email, Florida Department of Education (Feb. 12, 2025).

¹⁶⁸ Email, Florida Department of Education (Feb. 12, 2025).

¹⁶⁹ Section 1013.62(1), F.S. The 1.5 mill discretionary capital improvement levy is authorized under s. 1011.71(2), F.S.

under the Special Facility Construction Account that is being satisfied by revenues raised by the discretionary millage. ¹⁷⁰ Of the total calculated amount based on a district's discretionary millage and the total number of students in district charter schools, the school district must distribute 40 percent in 2024-2025, and 60 percent in 2025-2026. ¹⁷¹

By October 1 of each year, each school district must certify to the DOE the amount of debt service and participation requirement that can be reduced from the total discretionary millage revenue. The Auditor General must verify compliance with these requirements during scheduled operational audits of school districts.¹⁷²

For all school districts with charter schools in that district, the total 2025-2026 estimated local funds that must be shared with charter schools is \$214,219,713. Of the 29 fiscally constrained counties¹⁷³ that may be eligible for funds under the Special Facilities Construction Account, the 2025-2026 estimated local funds that must be shared with charter schools is \$1,292,083.¹⁷⁴

Effect of Proposed Changes:

Sections 39 amends s. 1013.62, F.S., to specify the revenue to be deducted from the capital funds a district participating under the Special Facility Construction Account (SFCA) program must distribute to each eligible charter school.

The bill maintains the requirement that the total discretionary millage revenue that a school district must distribute to each eligible charter school must be reduced by the school district's annual debt service obligation incurred as of March 1, 2017, which has not been subsequently retired.

However, the bill modifies the additional amount of revenue that must be deducted from the total discretionary millage revenue related to the SFCA:

- For currently funded projects under the SFCA, the bill maintains the requirement that deducts
 any amount of participation requirement under the SFCA that is being satisfied by revenues
 raised by the discretionary millage.
- For construction projects for which SFCA funding is sought beginning in the 2025-2026 fiscal year, the additional deducted amount will be the value of 1 mill from the revenue generated under the district's 1.5 mill discretionary ad valorem levy or revenue from the school capital outlay surtax. This amount must be certified to the DOE.

Sections 57-87 make conforming and non-substantive changes throughout Florida Statutes as necessary to implement the bill.

¹⁷⁰ Section 1013.62(3), F.S.

¹⁷¹ Section 1013.62(3)(d), F.S.

¹⁷² Section 1013.62(3), F.S. Flush-left provision.

¹⁷³ Each county that is entirely within a rural area of opportunity as designated by the Governor pursuant to s. 288.0656 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., from the previous July 1, is considered a fiscally constrained county. Section 218.67(1), F.S. *See also* Florida Department of Revenue, *Fiscally Constrained Counties*, *available at* https://www.floridarevenue.com/property/Documents/fcc_map.pdf (last visited Feb. 26, 2025).

¹⁷⁴ The amount is derived from 60 percent of the calculation of each district's ad valorem taxes, after specified deductions, and eligible charter school full-time equivalent students. See 1013.62(3), F.S.

Section 88 provides that the bill takes effect on July 1, 2025.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

The bill changes a distribution to fiscally constrained counties from the tax collected on direct-to-home satellite service to sales tax. The bill redirects the portion of the direct-to-home satellite service tax to the General Revenue Fund. The bill provides for at least 50 million annually to be distributed to fiscally constrained counties from sales tax based on a new formula that takes into account sales tax collections, per capita personal income, and population. At this time the Revenue Estimating Conference consensus estimates for these bill provisions is not available.

The bill redirects revenues from documentary stamp taxes and title fees to the Department of Transportation for the new FARM program and the SCRAP. At this time the Revenue Estimating Conference consensus estimates for these bill provisions is not available. Staff informally estimates that the changes in the bill will result in an additional:

- \$30 million to the FARM program, in addition to \$20 million currently allocated for rural arterial roads, for a total of \$50 million for this program.
- Over \$30 million for the SCRAP program, in addition to the \$25 million currently allocated to the program, for a total of at least \$55 million for this program.

The impact of the changes to the bill related to school special facility construction funding has not been considered by the Revenue Estimating Conference at this time, but is expected to be negative, indeterminate.

The Department of Transportation must submit budget amendments to the Legislature, with a plan for use of the funds for the SCRAP and the FARM programs, for budget authority for the new funding in the bill redirected to these programs.

Fiscally constrained counties will see an increase in state tax revenues shared with these counties. The bill requires these funds to be used as follows: 50 percent for public safety, 30 percent for infrastructure, and 20 percent for any public purpose.

B. Private Sector Impact:

The bill creates a number of new grant programs and increases funding for existing programs which are designed to fund, either directly or indirectly, private sector activity, primarily in the transportation, education, and healthcare fields. Citizens in rural communities will benefit indirectly from programs designed to increase community investment as guided by local governments.

C. Government Sector Impact:

Local governments in rural areas of the state will benefit from participating in the grant programs created specifically for them in the bill and the associated funding for the newly created and already existing programs.

The bill makes the following appropriations to the Department Commerce:

- \$1,827,591 in recurring funds and \$652,327 in nonrecurring funds from the General Revenue Fund for the staffing and operation of the Office of Rural Prosperity, which includes funding for 17 full-time equivalent positions for the office.
- \$8 million in recurring funds from the General Revenue Fund for the Office of Rural Prosperity for block grants to certain low-population rural counties under the Renaissance Grant Program.
- \$500,000 in recurring funds from the Grants and Donations Trust Fund within the Department of Commerce for the Public Infrastructure Smart Technology Grant Program as created by the bill.
- \$40 million in nonrecurring funds and \$5 million in recurring funds from the General Revenue Fund for the Rural Infrastructure Fund. This appropriation is in addition to the base appropriation of \$5 million, bringing the total recurring funds for the program to \$10 million.
- \$4 million in nonrecurring funds and \$1 million in recurring funds from General Revenue for Rural Community Development Revolving Loan Fund. This appropriation is in addition to the base appropriation of \$420,000, bringing the total recurring funds for the program to \$1.42 million.
- \$250,000 in recurring funds from the Grants and Donations Trust Fund within the Department of Commerce is appropriated for the Rural Economic Development Strategy Grant program created by the bill.

• \$1 million in recurring funds from the General Revenue Fund for the SBDC to implement the requirements of the rural-focused Florida SBDC Network activity.

The bill does not change the appropriation for the Regional Rural Development Grants Program in the Department of Commerce, which remains at \$750,000 annually.

The bill increases the base amount for the State Housing Initiatives Partnership (SHIP) from \$350,000 to \$1 million. Funding for this program is provided annually in the General Appropriations Act and is based on a distribution formula. In general, local governments that typically receive the base amount will see an increase in grant funds received.

The bill appropriates \$30 million in nonrecurring funds from the General Revenue Fund to the Florida Housing Finance Corporation to be used to issue loans to preserve affordable multifamily rental housing funded through USDA loans. The bill also authorizes local SHIP administrators to use up to 25 percent of their allocated SHIP funds to preserve such housing.

The amendments made in the bill to the Rural Economic Development Initiative to modernize and revitalize the organization and functions may result in increased use of state programs by rural communities, leading to a financial benefit in these areas.

The bill makes the following appropriations to the Department of Education:

- \$25 million in recurring funds from the General Revenue Fund for grant funding to the three regional consortium service organizations.
- \$3.6 million in recurring funds from the General Revenue Fund for the increase in grant funds to regional consortiums, from \$50,000 to \$150,000 annually. With a base appropriation of \$1.75 million, this would bring the total recurring funds for the program to \$5.35 million annually.
- \$7 million in recurring funds from General Revenue to implement the Rural Incentive for Professional Educators (RIPE) Program.

The bill makes the following appropriations to the Department of Health:

- \$5 million in nonrecurring funds from the General Revenue Fund for the purpose of implementing the Stroke, Cardiac, and Obstetric Response and Education (SCORE) Grant Program.
- \$25 million in nonrecurring funds from the General Revenue Fund to implement the Rural Access to Primary and Preventative Care (RAPP-C) Grant Program.
- \$25 million in nonrecurring funds from the General Revenue Fund implement the Rural Hospital Capital Improvement (RHCI) Grant Program.

The bill appropriates \$1,499,261 in recurring funds from the General Revenue Fund and \$1,933,112 in recurring funds from the Medical Care Trust Fund to the Agency for Health Care Administration (AHCA) to establish a Diagnosis-Related Grouping (DRG) reimbursement methodology for critical access hospitals, as defined in s. 408.07, F.S., for the purpose of providing inpatient reimbursement to such a hospital in amounts

comparable to the reimbursement the hospital would receive for inpatient services from the federal Medicare program.

The bill appropriates \$4,840,182 in recurring funds from the General Revenue Fund and \$6,240,820 in recurring funds from the Medical Care Trust Fund to the AHCA to establish an Enhanced Ambulatory Patient Grouping (EAPG) reimbursement methodology for critical access hospitals, as defined in s. 408.07, F.S., for the purpose of providing outpatient reimbursement to such a hospital in amounts comparable to the reimbursement the hospital would receive for outpatient services from the federal Medicare program.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 20.60, 163.3168, 201.15, 202.18, 212.20, 215.971, 218.67, 288.0001, 288.001, 288.007, 288.018, 288.019, 288.021, 288.065, 288.0655, 288.0656, 288.0657, 288.9961, 290.06561, 319.32, 334.044, 339.0801, 339.2816, 339.2818, 339.68, 395.6061, 420.9073, 420.9075, 1001.451, 1013.62, 1013.64, 163.3187, 212.205, 257.191, 257.193, 265.283, 288.11621, 288.11631, 443.191, 571.26, 571.265, 288.9935, 125.0104, 193.624, 196.182, 218.12, 218.125, 218.135, 218.136, 252.35, 288.102, 403.064, 589.08, 1011.62, 403.0741, 163.3177, 288.9962, 215.211, 339.66, 420.9072, 420.9076, and 420.9079.

This bill creates the following sections of the Florida Statutes: 288.013, 288.014, 288.0175, 381.403, 381.9856, 1001.4511, and 1009.635.

This bill repeals the following sections of the Florida Statutes: 288.06561 and 290.06561.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

By Senator Simon

1

2

3

4

5

6

7

8

9

10

11

12

13

1415

16

17

18

19

20

21

22

23

24

25

2627

28

29

3-00384A-25 2025110

A bill to be entitled

An act relating to rural communities; amending s. 20.60, F.S.; revising the list of divisions and offices within the Department of Commerce to conform to changes made by the act; revising the annual program reports that must be included in the annual report of the Department of Commerce; amending s. 163.3168, F.S.; requiring the state land planning agency to give preference for technical assistance funding to local governments located in a rural area of opportunity; requiring the agency to consult with the Office of Rural Prosperity when awarding certain funding; amending s. 201.15, F.S.; requiring that a certain sum be paid to the credit of the State Transportation Trust Fund for the exclusive use of the Florida Arterial Road Modernization Program; amending s. 202.18, F.S.; redirecting the transfer of certain communication services tax revenue; amending s. 212.20, F.S.; revising the distribution of sales and use tax revenue to include a transfer to fiscally constrained counties; amending s. 215.971, F.S.; providing construction regarding agreements funded with federal or state assistance; requiring each state agency to report to the Office of Rural Prosperity by a certain date with a summary of certain information; requiring the office to summarize the information it receives for its annual report; amending s. 218.67, F.S.; revising the conditions required for a county to be considered a fiscally constrained county;

31

32

33 34

35

36

3738

39

40

41 42

43 44

45

46

47

48 49

50

51

52

53

54

55

56

57

58

3-00384A-25 2025110

authorizing eligible counties to receive a distribution of sales and use tax revenue; revising the sources that the Department of Revenue must use to determine the amount distributed to fiscally constrained counties; revising the factors for allocation of the distribution of revenue to fiscally constrained counties; requiring that the computation and amount distributed be calculated based on a specified rounding algorithm; authorizing specified uses for the revenue; conforming a cross-reference; amending s. 288.0001, F.S.; requiring the Office of Economic and Demographic Research and the Office of Program Policy Analysis and Government Accountability (OPPAGA) to prepare a report for a specified purpose; specifying requirements for the report; providing that the Office of Economic and Demographic Research and OPPAGA must be provided with all data necessary to complete the rural communities or areas report upon request; authorizing the Office of Economic and Demographic Research and OPPAGA to collaborate on all data collection and analysis; requiring the Office of Economic and Demographic Research and OPPAGA to submit the report to the Legislature by a specified date; providing additional requirements for the report; providing for expiration; amending s. 288.001, F.S.; requiring the Florida Small Business Development Center Network to use certain funds appropriated for a specified purpose; authorizing the network to dedicate funds to facilitate certain events; amending s.

60

61

62

63

64

65

66 67

68

69

70

71

72

73

74

75

76

77

78

79

80

81

82

83

8485

86

87

3-00384A-25 2025110

288.007, F.S.; revising which local governments and economic development organizations seeking to recruit businesses are required to submit a specified report; creating s. 288.013, F.S.; providing legislative findings; creating the Office of Rural Prosperity within the Department of Commerce; requiring the Governor to appoint a director, subject to confirmation by the Senate; providing that the director reports to and serves at the pleasure of the secretary of the department; providing the duties of the office; requiring the office to establish by a specified date a certain number of regional rural community liaison centers across this state for a specified purpose; providing the powers, duties, and functions of the liaison centers; requiring the liaison centers, to the extent possible, to coordinate with certain entities; requiring the liaison centers to engage with the Rural Economic Development Initiative (REDI); requiring at least one staff member of a liaison center to attend the monthly meetings in person or by means of electronic communication; requiring the director of the office to submit an annual report to the Administration Commission in the Executive Office of the Governor; specifying requirements for the annual report; requiring that the annual report also be submitted to the Legislature by a specified date and published on the office's website; requiring the director of the office to attend the next Administration Commission meeting to

89

90

91

92

93 94

95

96 97

98

99

100

101

102

103

104

105

106

107

108

109

110

111

112

113

114

115

116

3-00384A-25 2025110

present detailed information from the annual report; requiring OPPAGA to review the effectiveness of the office by a certain date annually until a specified date; requiring OPPAGA to review the office at specified intervals; requiring such reviews to include certain information to be considered by the Legislature; requiring that such reports be submitted to the Legislature; requiring OPPAGA to review certain strategies from other states; requiring OPPAGA to submit to the Legislature its findings at certain intervals; creating s. 288.014, F.S.; providing legislative findings; requiring the Office of Rural Prosperity to administer the Renaissance Grants Program to provide block grants to eligible communities; requiring the Office of Economic and Demographic Research to certify to the Office of Rural Prosperity certain information by a specified date; defining the term "growth-impeded"; requiring the Office of Economic and Demographic Research to certify annually that a county remains growth-impeded until such county has positive population growth for a specified amount of time; providing that such county, after 3 consecutive years of population growth, is eligible to participate in the program for 1 additional year; requiring a county eligible for the program to enter into an agreement with the Office of Rural Prosperity in order to receive the block grant; giving such counties broad authority to design their specific plans; prohibiting the Office of Rural

118

119

120

121

122

123

124

125

126

127

128

129

130

131

132

133

134

135

136

137

138

139

140

141

142

143

144

145

3-00384A-25 2025110

Prosperity from determining how such counties implement the block grant; requiring regional rural community liaison center staff to provide assistance, upon request; requiring participating counties to report annually to the Office of Rural Prosperity with certain information; providing that a participating county receives a specified amount from funds appropriated to the program; requiring participating counties to make all attempts to limit the amount spent on administrative costs; authorizing participating counties to contribute other funds for block grant purposes; requiring participating counties to hire a renaissance coordinator; providing that funds from the block grant may be used to hire the renaissance coordinator; providing the responsibilities of the renaissance coordinator; requiring the regional rural community liaison center staff to provide assistance and training to the renaissance coordinator, upon request; requiring participating counties to design a plan to make targeted investments to achieve population growth and increase economic vitality; providing requirements for such plans; requiring participating counties to develop intergovernmental agreements with certain entities in order to implement the plan; requiring the Auditor General to conduct an operational audit every 2 years for a specified purpose; requiring the Office of Economic and Demographic Research to provide an annual report on a specified date of renaissance block

147

148

149 150

151

152

153

154

155

156

157

158

159

160

161

162

163

164

165

166

167

168

169

170

171

172

173

174

3-00384A-25 2025110

grant recipients by county; providing requirements for the annual report; requiring that the report be submitted to the Governor and the Legislature; prohibiting funds appropriated for the program from being subject to reversion; providing for an expiration of the section; creating s. 288.0175, F.S.; creating the Public Infrastructure Smart Technology Grant Program within the Office of Rural Prosperity; defining terms; requiring the office to contract with one or more smart technology lead organizations to administer a grant program for a specified purpose; providing the criteria for such contracts; requiring that projects funded by the grant program be included in the office's annual report; amending s. 288.018, F.S.; requiring the office, rather than the Department of Commerce, to establish a grant program to provide funding for regional economic development organizations; revising who may apply for such grants; providing that a grant award may not exceed a certain amount in a year; providing exceptions to a provision that the department may expend a certain amount for a certain purpose; amending s. 288.019, F.S.; revising the program criteria and procedures that agencies and organizations of REDI are required to review; revising the list of impacts each REDI agency and organization must consider in its review; requiring REDI agencies and organizations to develop a proposal for modifications which minimizes the financial and resource impacts to a rural community; requiring that

176

177

178

179

180

181

182

183

184

185

186

187

188

189 190

191

192

193

194

195

196

197

198

199

200

201

202

203

3-00384A-25 2025110

ranking of evaluation criteria and scoring procedures be used only when ranking is a component of the program; requiring that match requirements be waived or reduced for rural communities; providing that donations of land may be treated as in-kind matches; requiring each agency and organization that applies for or receives federal funding to request federal approval to waive or reduce the financial match requirements, if any, for projects in rural communities; requiring that proposals be submitted to the office, rather than the department; requiring each REDI agency and organization to modify rules or policies as necessary to reflect the finalized proposal; requiring that information about authorized waivers be included on the office's online rural resource directory; conforming a cross-reference; amending s. 288.021, F.S.; requiring, when practicable, the economic development liaison to serve as the agency representative for REDI; amending s. 288.065, F.S.; defining the term "unit of local government"; requiring the office to include in its annual report certain information about the Rural Community Development Revolving Loan Fund; conforming provisions to changes made by the act; amending s. 288.0655, F.S.; revising the list of grants that may be awarded by the office; deleting the authorization for local match requirements to be waived for a catalyst site; revising the list of departments the office must consult with to certify applicants;

205

206

207

208

209

210

211

212213

214

215

216

217

218

219

220

221

222

223

224

225

226

227

228

229

230

231

232

3-00384A-25 2025110

requiring the office to include certain information about the Rural Infrastructure Trust Fund in its annual report; conforming provisions to changes made by the act; amending s. 288.0656, F.S.; providing legislative findings; providing that REDI is created within the Office of Rural Prosperity, rather than the department; deleting the definitions of the terms "catalyst project" and "catalyst site"; requiring that an alternate for each designated deputy secretary be a deputy secretary or higher-level staff person; requiring that the names of such alternates be reported to the director of the office; requiring at least one rural liaison to participate in REDI meetings; requiring REDI to meet at least each month; deleting a provision that a rural area of opportunity may designate catalyst projects; requiring REDI to submit a certain report to the office, rather than to the department; specifying requirements for such report; conforming provisions to changes made by the act; repealing s. 288.06561, F.S., relating to reduction or waiver of financial match requirements; amending s. 288.0657, F.S.; requiring the office, rather than the department, to provide grants to assist rural communities; providing that such grants may be used for specified purposes; requiring the rural liaison to assist those applying for such grants; providing that marketing grants may include certain funding; amending s. 288.9961, F.S.; revising the definition of the term "underserved"; requiring

234

235

236

237

238

239

240

241

242

243

244

245

246

247

248

249

250

251

252

253

254

255

256

257

258

259

260

261

3-00384A-25 2025110

the office to consult with regional rural community liaison centers on development of a certain strategic plan; requiring rural liaisons to assist rural communities with providing feedback in applying for federal grants for broadband Internet services; requiring the office to submit reports with specified information to the Governor and the Legislature within certain timeframes; repealing s. 290.06561, F.S., relating to designation of rural enterprise zones as catalyst sites; amending s. 319.32, F.S.; revising the disposition of fees collected for certain title certificates; amending s. 334.044, F.S.; revising the powers and duties of the Department of Transportation; amending s. 339.0801, F.S.; revising the allocation of funds received in the State Transportation Trust Fund; amending s. 339.2816, F.S.; requiring, rather than authorizing, that certain funds received from the State Transportation Trust Fund be used for the Small County Road Assistance Program; requiring the department to use other additional revenues for the Small County Road Assistance Program; providing an exception from the prohibition against funding capacity improvements on county roads; amending s. 339.2818, F.S.; deleting a provision that the funds allocated under the Small County Outreach Program are in addition to the Small County Road Assistance Program; deleting a provision that a local government within the Everglades Agricultural Area, the Peace River Basin, or the Suwannee River Basin may compete

263

264265

266

267

268

269

270271

2.72

273

274

275

276

277

278

279

280

281

282

283

284

285

286

2.87

288

289

290

3-00384A-25 2025110

for additional funding; conforming provisions to changes made by the act; making a technical change; amending s. 339.68, F.S.; providing legislative findings; creating the Florida Arterial Road Modernization Program within the Department of Commerce; defining the term "rural community"; requiring the department to allocate from the State Transportation Trust Fund a minimum sum in each fiscal year to fund the program; providing that such funding is in addition to any other funding provided to the program; providing criteria the department must use to prioritize projects for funding under the program; requiring the department to submit a report to the Governor and the Legislature by a specified date; requiring that such report be submitted every 2 years thereafter; providing the criteria for such report; requiring the Department of Transportation to allocate additional funds to implement the Small County Road Assistance Program and amend the tentative work program for a specified number of fiscal years; requiring the department to submit a budget amendment before the adoption of the work program; requiring the department to allocate sufficient funds to implement the Florida Arterial Road Modernization Program; requiring the department to amend the current tentative work program for a specified number of fiscal years to include the program's projects; requiring the department to submit a budget amendment before the implementation of the program; requiring

292

293

294

295

296

297

298

299

300

301

302

303

304

305

306

307

308

309

310

311

312

313

314

315

316

317

318319

3-00384A-25 2025110__

that the revenue increases in the State Transportation Trust Fund which are derived from the act be used to fund the work program; creating s. 381.403, F.S.; providing legislative findings; creating the Rural Access to Primary and Preventive Care Grant Program within the Department of Health for a specified purpose; defining terms; requiring the department to award grants under the program to physicians and autonomous advanced practice registered nurses intending to open new practices or practice locations in qualifying rural areas; specifying eligibility criteria for the grants; requiring the department, by a specified date, to create an application process for applying for grants under the program; specifying requirements for the application and application process; authorizing the department, subject to specific appropriation, to award grants under the program; specifying limitations on the awarding of grants; specifying expenses for which grant funds are authorized and prohibited; requiring the department to enter into a contract with each grant recipient; specifying requirements for the contracts; authorizing the department to adopt rules; requiring the department, beginning on a specified date and annually thereafter, to provide a report containing specified information to the Governor and the Legislature; providing for future legislative review and repeal of the program; creating s. 381.9856, F.S.; creating the Stroke, Cardiac, and Obstetric Response and Education

321

322

323

324

325

326

327

328

329

330

331

332

333

334335

336

337

338

339

340

341

342

343

344345

346

347

348

3-00384A-25 2025110

Grant Program within the Department of Health; specifying the purpose of the program; defining terms; requiring the department to award grants under the program to certain entities meeting specified criteria; requiring the department to give priority to certain applicants; limiting individual grants to a specified amount per year; requiring grant recipients to submit quarterly reports to the department; requiring the department to monitor program implementation and outcomes; requiring the department to submit an annual report to the Governor and the Legislature by a specified date; authorizing the department to adopt rules; providing construction; providing for future legislative review and repeal of the program; amending s. 395.6061, F.S.; providing that rural hospital capital grant improvement program funding may be awarded to rural hospitals to establish mobile care units and telehealth kiosks for specified purposes; defining terms; amending s. 420.9073, F.S.; revising the calculation of guaranteed amounts distributed from the Local Government Housing Trust Fund; reenacting and amending s. 420.9075, F.S.; authorizing a certain percentage of the funds made available in each county and eligible municipality from the local housing distribution to be used to preserve multifamily affordable rental housing; specifying what such funds may be used for; providing an expiration; amending s. 1001.451, F.S.; revising the services required to be provided by regional

350

351

352

353

354

355

356

357

358

359

360

361

362

363

364

365366

367

368

369

370

371

372

373

374

375

376

377

3-00384A-25 2025110

consortium service organizations when such services are found to be necessary and appropriate by such organizations' boards of directors; revising the allocation that certain regional consortium service organizations are eligible to receive from the General Appropriations Act; requiring each regional consortium service organization to submit an annual report to the Department of Education; requiring that unexpended amounts in certain funds be carried forward; requiring each regional consortium service organization to provide quarterly financial reports to member districts; requiring member districts to designate a district to serve as a fiscal agent for certain purposes; providing for compensation of the fiscal agent district; requiring regional consortium service organizations to retain all funds received from grants or contracted services to cover indirect or administrative costs associated with the provision of such services; requiring the regional consortium service organization board of directors to determine products and services provided by the organization; requiring a regional consortium service organization board of directors to recommend the establishment of positions and appointments to a fiscal agent district; requiring that personnel be employed under specified personnel policies; authorizing the regional consortium service organization board of directors to recommend a salary schedule for personnel; authorizing regional consortium service organizations to purchase

379

380

381

382

383

384

385

386 387

388

389

390

391

392

393

394

395

396

397

398

399

400

401

402

403

404

405

406

3-00384A-25 2025110

or lease property and facilities essential to their operations; providing for the distribution of revenue if a regional consortium service organization is dissolved; deleting a provision requiring applications for incentive grants; authorizing regional consortium service organization boards of directors to contract to provide services to nonmember districts; requiring that a fund balance be established for specified purposes; deleting a requirement for the use of certain funds; authorizing a regional consortium service organization to administer a specified program; creating s. 1001.4511, F.S.; creating the Regional Consortia Service Organization Supplemental Services Program; providing the purpose of the program; authorizing funds to be used for specified purposes; requiring each regional consortium service organization to report the distribution of funds annually to the Legislature; providing for the carryforward of funds; providing appropriations; creating s. 1009.635, F.S.; establishing the Rural Incentive for Professional Educators Program within the Department of Education; requiring the program to provide financial assistance for the repayment of student loans to eligible participants who establish permanent residency and employment in rural communities; providing that eligible participants may receive up to a certain amount in total student loan repayment assistance over a certain timeframe; requiring the department to verify certain information

408

409

410

411

412

413

414

415

416 417

418

419

420

421

422

423

424

425

426

427

428

429

430 431

432

433

434

435

3-00384A-25 2025110

of participants in the program before it disburses awards; providing that the program is administered through the Office of Student Financial Assistance within the department; requiring the department to develop procedures and monitor compliance; requiring the State Board of Education to adopt rules by a certain date; amending s. 1013.62, F.S.; revising the calculation methodology to determine the amount of revenue that a school district must distribute to each eligible charter school; amending s. 1013.64, F.S.; revising conditions under which a school district may receive funding on an approved construction project; providing appropriations for specified purposes; amending ss. 163.3187, 212.205, 257.191, 257.193, 265.283, 288.11621, 288.11631, 443.191, 571.26, and 571.265, F.S.; conforming cross-references and provisions to changes made by the act; reenacting s. 288.9935(8), F.S., relating to the Microfinance Guarantee Program, to incorporate the amendment made to s. 20.60, F.S., in a reference thereto; reenacting ss. 125.0104(5)(c), 193.624(3), 196.182(2), 218.12(1), 218.125(1), 218.135(1), 218.136(1), 252.35(2)(cc), 288.102(4), 403.064(16)(g), 589.08(2) and (3), and 1011.62(1)(f), F.S., relating to authorized uses of tourist development tax; applicability of assessments of renewable energy source devices; application of exemptions of renewable energy source devices; appropriations to offset reductions in ad valorem tax revenue in fiscally constrained counties; offset for

437

438

439

440

441

442

443

444

445

446

447

448

449

450

451

452

453

454

455

456

457

458

459

460

461

462

463

464

3-00384A-25 2025110

tax loss associated with certain constitutional amendments affecting fiscally constrained counties; offset for tax loss associated with reductions in value of certain citrus fruit packing and processing equipment; offset for ad valorem revenue loss affecting fiscally constrained counties; Division of Emergency Management powers; one-to-one match requirement under the Supply Chain Innovation Grant Program; applicability of provisions related to reuse of reclaimed water; land acquisition restrictions; and funds for operation of schools, respectively, to incorporate the amendment made to s. 218.67, F.S., in references thereto; reenacting s. 403.0741(6)(c), F.S., relating to grease waste removal and disposal, to incorporate the amendments made to ss. 218.67 and 339.2818, F.S., in references thereto; reenacting s. 163.3177(7)(e), F.S., relating to required and optional elements of comprehensive plans and studies and surveys, to incorporate the amendment made to s. 288.0656, F.S., in a reference thereto; reenacting s. 288.9962(7)(a), F.S., relating to the Broadband Opportunity Program, to incorporate the amendment made to s. 288.9961, F.S., in a reference thereto; reenacting s. 215.211(1), F.S., relating to service charges and elimination or reduction for specified proceeds, to incorporate the amendment made to s. 319.32, F.S., in a reference thereto; reenacting s. 339.66(5) and (6), F.S., relating to upgrades of arterial highways with controlled access facilities,

3-00384A-25 2025110

to incorporate the amendment made to s. 339.68, F.S., in references thereto; reenacting ss. 420.9072(4) and (6), 420.9076(7)(b), and 420.9079(2), F.S., relating to the State Housing Initiatives Partnership Program, adoption of affordable housing incentive strategies and committees, and the Local Government Housing Trust Fund, respectively, to incorporate the amendment made to s. 420.9073, F.S., in references thereto; providing an effective date.

473474

465

466

467

468

469

470

471

472

Be It Enacted by the Legislature of the State of Florida:

475476

477

478

479

Section 1. Paragraph (a) of subsection (3) and paragraph (c) of subsection (10) of section 20.60, Florida Statutes, are amended to read:

480

20.60 Department of Commerce; creation; powers and duties.—
(3)(a) The following divisions and offices of the

481 482

Department of Commerce are established:

483

1. The Division of Economic Development.

484

2. The Division of Community Development.

485

3. The Division of Workforce Services.

486

4. The Division of Finance and Administration.

487

5. The Division of Information Technology.

488

6. The Office of the Secretary.

489 490 7. The Office of Rural Prosperity.

8.7. The Office of Economic Accountability and

491

Transparency, which shall:

492493

a. Oversee the department's critical objectives as determined by the secretary and make sure that the department's

3-00384A-25 2025110

key objectives are clearly communicated to the public.

- b. Organize department resources, expertise, data, and research to focus on and solve the complex economic challenges facing the state.
- c. Provide leadership for the department's priority issues that require integration of policy, management, and critical objectives from multiple programs and organizations internal and external to the department; and organize and manage external communication on such priority issues.
- d. Promote and facilitate key department initiatives to address priority economic issues and explore data and identify opportunities for innovative approaches to address such economic issues.
 - e. Promote strategic planning for the department.
- (10) The department shall, by November 1 of each year, submit an annual report to the Governor, the President of the Senate, and the Speaker of the House of Representatives on the condition of the business climate and economic development in the state.
- (c) The report must incorporate annual reports of other programs, including:
- 1. A detailed report of the performance of the Black Business Loan Program and a cumulative summary of quarterly report data required under s. 288.714.
- 2. The Rural Economic Development Initiative established under s. 288.0656.
- 3. A detailed report of the performance of the Florida Development Finance Corporation and a summary of the corporation's report required under s. 288.9610.

3-00384A-25 2025110

3.4. Information provided by Space Florida under s. 331.3051 and an analysis of the activities and accomplishments of Space Florida.

Section 2. Subsection (5) is added to section 163.3168, Florida Statutes, to read:

163.3168 Planning innovations and technical assistance.-

(5) When selecting applications for funding for technical assistance, the state land planning agency shall give preference to local governments located in a rural area of opportunity as defined in s. 288.0656. The state land planning agency shall consult with the Office of Rural Prosperity when awarding funding pursuant to this section.

Section 3. Paragraph (i) is added to subsection (4) of section 201.15, Florida Statutes, to read:

201.15 Distribution of taxes collected.—All taxes collected under this chapter are hereby pledged and shall be first made available to make payments when due on bonds issued pursuant to s. 215.618 or s. 215.619, or any other bonds authorized to be issued on a parity basis with such bonds. Such pledge and availability for the payment of these bonds shall have priority over any requirement for the costs of collection and enforcement under this section. Before distribution pursuant to this section, the Department of Revenue shall deduct amounts necessary to pay the costs of the collection and enforcement of the tax levied by this chapter. The costs may not be levied against any portion of taxes pledged to debt service on bonds to the extent that the costs are required to pay any amounts relating to the bonds. All of the costs of the collection and enforcement of the tax levied by this chapter shall be available

3-00384A-25 2025110

and transferred to the extent necessary to pay debt service and any other amounts payable with respect to bonds authorized before January 1, 2017, secured by revenues distributed pursuant to this section. All taxes remaining after deduction of costs shall be distributed as follows:

- (4) After the required distributions to the Land Acquisition Trust Fund pursuant to subsections (1) and (2), the lesser of 8 percent of the remainder or \$150 million in each fiscal year shall be paid into the State Treasury to the credit of the State Housing Trust Fund and shall be expended pursuant to s. 420.50871. If 8 percent of the remainder is greater than \$150 million in any fiscal year, the difference between 8 percent of the remainder and \$150 million shall be paid into the State Treasury to the credit of the General Revenue Fund. The remainder shall be distributed as follows:
- (i) A total of \$30 million shall be paid to the credit of the State Transportation Trust Fund, which funds are exclusively for the use of the Florida Arterial Road Modernization Program as provided in s. 339.68.

Section 4. Paragraph (c) of subsection (2) of section 202.18, Florida Statutes, is amended to read:

- 202.18 Allocation and disposition of tax proceeds.—The proceeds of the communications services taxes remitted under this chapter shall be treated as follows:
- (2) The proceeds of the taxes remitted under s. 202.12(1)(b) shall be allocated as follows:
- (c)1. After the distribution required under paragraph (b), 70 percent of the remainder During each calendar year, the remaining portion of the proceeds shall be transferred to the

3-00384A-25 2025110

Local Government Half-cent Sales Tax Clearing Trust Fund. Seventy percent of such proceeds shall be and allocated in the same proportion as the allocation of total receipts of the half-cent sales tax under s. 218.61 and the emergency distribution under s. 218.65 in the prior state fiscal year. Thirty percent of the remainder of such proceeds shall be transferred to the General Revenue Fund distributed pursuant to s. 218.67.

- 2. The proportion of the proceeds allocated based on the emergency distribution under s. 218.65 shall be distributed pursuant to s. 218.65.
- 3. In each calendar year, the proportion of the proceeds allocated based on the half-cent sales tax under s. 218.61 shall be allocated to each county in the same proportion as the county's percentage of total sales tax allocation for the prior state fiscal year and distributed pursuant to s. 218.62.
- 4. The department shall distribute the appropriate amount to each municipality and county each month at the same time that local communications services taxes are distributed pursuant to subsection (3).
- Section 5. Paragraph (d) of subsection (6) of section 212.20, Florida Statutes, is amended to read:
- 212.20 Funds collected, disposition; additional powers of department; operational expense; refund of taxes adjudicated unconstitutionally collected.—
- (6) Distribution of all proceeds under this chapter and ss. 202.18(1) (b) and (2) (b) and 203.01(1) (a) 3. is as follows:
- (d) The proceeds of all other taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be distributed as follows:

3-00384A-25 2025110

1. In any fiscal year, the greater of \$500 million, minus an amount equal to 4.6 percent of the proceeds of the taxes collected pursuant to chapter 201, or 5.2 percent of all other taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be deposited in monthly installments into the General Revenue Fund.

- 2. After the distribution under subparagraph 1., 8.9744 percent of the amount remitted by a sales tax dealer located within a participating county pursuant to s. 218.61 shall be transferred into the Local Government Half-cent Sales Tax Clearing Trust Fund. Beginning July 1, 2003, the amount to be transferred shall be reduced by 0.1 percent, and the department shall distribute this amount to the Public Employees Relations Commission Trust Fund less \$5,000 each month, which shall be added to the amount calculated in subparagraph 3. and distributed accordingly.
- 3. After the distribution under subparagraphs 1. and 2., 0.0966 percent shall be transferred to the Local Government Half-cent Sales Tax Clearing Trust Fund and distributed pursuant to s. 218.65.
- 4. After the distributions under subparagraphs 1., 2., and 3., 2.0810 percent of the available proceeds shall be transferred monthly to the Revenue Sharing Trust Fund for Counties pursuant to s. 218.215.
- 5. After the distributions under subparagraphs 1., 2., and 3., 1.3653 percent of the available proceeds shall be transferred monthly to the Revenue Sharing Trust Fund for Municipalities pursuant to s. 218.215. If the total revenue to be distributed pursuant to this subparagraph is at least as

3-00384A-25 2025110__

great as the amount due from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000, no municipality shall receive less than the amount due from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000. If the total proceeds to be distributed are less than the amount received in combination from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 1999-2000, each municipality shall receive an amount proportionate to the amount it was due in state fiscal year 1999-2000.

- 6. After the distributions required under subparagraphs 1.5., the greater of \$50 million or 0.1438 percent of the
 available proceeds shall be transferred to fiscally constrained
 counties pursuant to s. 218.67.
 - 7. Of the remaining proceeds:
- a. In each fiscal year, the sum of \$29,915,500 shall be divided into as many equal parts as there are counties in the state, and one part shall be distributed to each county. The distribution among the several counties must begin each fiscal year on or before January 5th and continue monthly for a total of 4 months. If a local or special law required that any moneys accruing to a county in fiscal year 1999-2000 under the then-existing provisions of s. 550.135 be paid directly to the district school board, special district, or a municipal government, such payment must continue until the local or special law is amended or repealed. The state covenants with holders of bonds or other instruments of indebtedness issued by

3-00384A-25 2025110

local governments, special districts, or district school boards before July 1, 2000, that it is not the intent of this subparagraph to adversely affect the rights of those holders or relieve local governments, special districts, or district school boards of the duty to meet their obligations as a result of previous pledges or assignments or trusts entered into which obligated funds received from the distribution to county governments under then-existing s. 550.135. This distribution specifically is in lieu of funds distributed under s. 550.135 before July 1, 2000.

- b. The department shall distribute \$166,667 monthly to each applicant certified as a facility for a new or retained professional sports franchise pursuant to s. 288.1162. Up to \$41,667 shall be distributed monthly by the department to each certified applicant as defined in s. 288.11621 for a facility for a spring training franchise. However, not more than \$416,670 may be distributed monthly in the aggregate to all certified applicants for facilities for spring training franchises. Distributions begin 60 days after such certification and continue for not more than 30 years, except as otherwise provided in s. 288.11621. A certified applicant identified in this sub-subparagraph may not receive more in distributions than expended by the applicant for the public purposes provided in s. 288.1162(5) or s. 288.11621(3).
- c. The department shall distribute up to \$83,333 monthly to each certified applicant as defined in s. 288.11631 for a facility used by a single spring training franchise, or up to \$166,667 monthly to each certified applicant as defined in s. 288.11631 for a facility used by more than one spring training

3-00384A-25 2025110

franchise. Monthly distributions begin 60 days after such certification or July 1, 2016, whichever is later, and continue for not more than 20 years to each certified applicant as defined in s. 288.11631 for a facility used by a single spring training franchise or not more than 25 years to each certified applicant as defined in s. 288.11631 for a facility used by more than one spring training franchise. A certified applicant identified in this sub-subparagraph may not receive more in distributions than expended by the applicant for the public purposes provided in s. 288.11631(3).

- d. The department shall distribute \$15,333 monthly to the State Transportation Trust Fund.
- e.(I) On or before July 25, 2021, August 25, 2021, and September 25, 2021, the department shall distribute \$324,533,334 in each of those months to the Unemployment Compensation Trust Fund, less an adjustment for refunds issued from the General Revenue Fund pursuant to s. 443.131(3)(e)3. before making the distribution. The adjustments made by the department to the total distributions shall be equal to the total refunds made pursuant to s. 443.131(3)(e)3. If the amount of refunds to be subtracted from any single distribution exceeds the distribution, the department may not make that distribution and must subtract the remaining balance from the next distribution.
- (II) Beginning July 2022, and on or before the 25th day of each month, the department shall distribute \$90 million monthly to the Unemployment Compensation Trust Fund.
- (III) If the ending balance of the Unemployment Compensation Trust Fund exceeds \$4,071,519,600 on the last day of any month, as determined from United States Department of the

3-00384A-25 2025110

Treasury data, the Office of Economic and Demographic Research shall certify to the department that the ending balance of the trust fund exceeds such amount.

- (IV) This sub-subparagraph is repealed, and the department shall end monthly distributions under sub-sub-subparagraph (II), on the date the department receives certification under sub-sub-subparagraph (III).
- f. Beginning July 1, 2023, in each fiscal year, the department shall distribute \$27.5 million to the Florida Agricultural Promotional Campaign Trust Fund under s. 571.26, for further distribution in accordance with s. 571.265.
- $\underline{8.7.}$ All other proceeds must remain in the General Revenue Fund.
- Section 6. Paragraph (h) of subsection (1) of section 215.971, Florida Statutes, is amended to read:
- 215.971 Agreements funded with federal or state assistance.—
- (1) An agency agreement that provides state financial assistance to a recipient or subrecipient, as those terms are defined in s. 215.97, or that provides federal financial assistance to a subrecipient, as defined by applicable United States Office of Management and Budget circulars, must include all of the following:
- (h) $\underline{1}$. If the agency agreement provides federal or state financial assistance to a county or municipality that is a rural community or rural area of opportunity as those terms are defined in s. 288.0656(2), a provision allowing the agency to provide for the payment of invoices to the county, municipality, or rural area of opportunity as that term is defined in s.

756

757

758

759

760

761

762

763

764 765

766

767

768

769

770

771

772

773

774

775

776

777

778

779

780

781

782

783

3-00384A-25 2025110

288.0656(2), for verified and eligible performance that has been completed in accordance with the terms and conditions set forth in the agreement. This provision is not intended to require reimbursement to the county, municipality, or rural area of opportunity for invoices paid, but to allow the agency to provide for the payment of invoices due. The agency shall expedite such payment requests in order to facilitate the timely payment of invoices received by the county, municipality, or rural area of opportunity. This provision is included to alleviate the financial hardships that certain rural counties and municipalities encounter when administering agreements, and must be exercised by the agency when a county or municipality demonstrates financial hardship, to the extent that federal or state law, rule, or other regulation allows such payments. This paragraph may not be construed to alter or limit any other provisions of federal or state law, rule, or other regulation.

- 2. By August 1, 2026, and each year thereafter, each state agency shall report to the Office of Rural Prosperity summarizing the implementation of this paragraph for the preceding fiscal year. The Office of Rural Prosperity shall summarize the information received pursuant to this paragraph in its annual report as required in s. 288.013.
- Section 7. Section 218.67, Florida Statutes, is amended to read:
 - 218.67 Distribution for fiscally constrained counties.-
- (1) Each county that is entirely within a rural area of opportunity as designated by the Governor pursuant to s.

 288.0656 or each county for which the value of a mill will raise no more than \$10 \$5 million in revenue, based on the taxable

3-00384A-25 2025110

value certified pursuant to s. 1011.62(4)(a)1.a., from the previous July 1, shall be considered a fiscally constrained county.

- (2) Each fiscally constrained county government that participates in the local government half-cent sales tax shall be eligible to receive an additional distribution from the Local Government Half-cent Sales Tax Clearing Trust Fund, as provided in $\underline{s.\ 212.20(6)(d)6.}\ \underline{s.\ 202.18(2)(e)1.}$, in addition to its regular monthly distribution provided under this part and any emergency or supplemental distribution under $\underline{s.\ 218.65.}$
- (3) The amount to be distributed to each fiscally constrained county shall be determined by the Department of Revenue at the beginning of the fiscal year, using the prior fiscal year's sales and use tax collections July 1 taxable value certified pursuant to s. 1011.62(4)(a)1.a., tax data, population as defined in s. 218.21, and the most current calendar year per capita personal income published by the Bureau of Economic Analysis of the United States Department of Commerce millage rate levied for the prior fiscal year. The amount distributed shall be allocated based upon the following factors:
- (a) The contribution-to-revenue relative revenue-raising-capacity factor for each participating county shall equal 100 multiplied by a quotient, the numerator of which is the county's population and the denominator of which is the state sales and use tax collections attributable to the county be the ability of the eligible county to generate ad valorem revenues from 1 mill of taxation on a per capita basis. A county that raises no more than \$25 per capita from 1 mill shall be assigned a value of 1; a county that raises more than \$25 but no more than \$30 per

3-00384A-25 2025110

capita from 1 mill shall be assigned a value of 0.75; and a county that raises more than \$30 but no more than \$50 per capita from 1 mill shall be assigned a value of 0.5. No value shall be assigned to counties that raise more than \$50 per capita from 1 mill of ad valorem taxation.

- quotient, the numerator of which is the median per capita personal income of participating counties and the denominator of which is the county's per capita personal income be a measure of the relative level of local effort of the eligible county as indicated by the millage rate levied for the prior fiscal year. The local-effort factor shall be the most recently adopted countywide operating millage rate for each eligible county multiplied by 0.1.
- (c) Each eligible county's proportional allocation of the total amount available to be distributed to all of the eligible counties shall be in the same proportion as the sum of the county's two factors is to the sum of the two factors for all eligible counties. The proportional rate computation must be carried to the fifth decimal place, and the amount to distribute to each county must be rounded to the next whole dollar amount. The counties that are eligible to receive an allocation under this subsection and the amount available to be distributed to such counties do shall not include counties participating in the phaseout period under subsection (4) or the amounts they remain eligible to receive during the phaseout.
- (4) For those counties that no longer qualify under the requirements of subsection (1) after the effective date of this act, there shall be a 2-year phaseout period. Beginning on July

3-00384A-25 2025110

1 of the year following the year in which the value of a mill for that county exceeds $\frac{$10}{$5}$ million in revenue, the county shall receive two-thirds of the amount received in the prior year, and beginning on July 1 of the second year following the year in which the value of a mill for that county exceeds $\frac{$10}{$5}$ million in revenue, the county shall receive one-third of the amount received in the last year that the county qualified as a fiscally constrained county. Following the 2-year phaseout period, the county $\frac{1}{15}$ $\frac{1}{5}$ millions under this section unless the county can be considered a fiscally constrained county as provided in subsection (1).

- (5) (a) The revenues received under this section <u>must be</u> <u>allocated</u> <u>may be used</u> by a county <u>to be used</u> for <u>the following</u> purposes:
- 1. Fifty percent may be used for public safety, including salary expenditures for law enforcement officers or correctional officers, as those terms are defined in s. 943.10(1) and (2), respectively, firefighters as defined in s. 633.102, or emergency medical technicians or paramedics as those terms are defined in s. 401.23.
 - 2. Thirty percent may be used for infrastructure needs.
 - 3. Twenty percent may be expended for any public purpose.
- (b) The revenues received under this section any public purpose, except that such revenues may not be used to pay debt service on bonds, notes, certificates of participation, or any other forms of indebtedness.
- Section 8. Subsection (6) is added to section 288.0001, Florida Statutes, to read:

3-00384A-25 2025110

288.0001 Economic Development Programs Evaluation.—The Office of Economic and Demographic Research and the Office of Program Policy Analysis and Government Accountability (OPPAGA) shall develop and present to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the chairs of the legislative appropriations committees the Economic Development Programs Evaluation.

- (6) (a) The Office of Economic and Demographic Research and OPPAGA shall prepare a report on the impact of the Florida Statutes on rural communities. Specifically, the report must include the following:
- 1. A review of definitions in the Florida Statutes of terms such as "rural community," "rural area of opportunity," and other similar terms used to define rural areas of this state, including population-based references, to assess the adequacy of the current statutory framework in defining these areas. The analysis must include, but need not be limited to:
- a. Evaluation of whether current provisions properly distinguish these communities or areas from more urban and suburban parts of this state;
- b. Consideration of updates to the definitions and references to classify additional rural areas, such as growing communities, unincorporated areas, or rural communities by design; and
- c. Study of appropriate metrics to be used to describe rural communities or areas, such as population, geographic, demographic, or other metrics, or combinations thereof.
- 2. A survey of local governments meeting the statutory definition of "rural community" or "rural area of opportunity"

3-00384A-25 2025110

to assess the benefits to the local government of being identified as such and any perceived unmet needs in the implementation of current statutory provisions designed to support rural communities or areas.

- 3. An analysis of state grant programs and recurring appropriations that explicitly benefit rural communities or areas, including, but not limited to, program purpose, funding amounts, participation rates, and consistency with peer-reviewed studies on effective economic programs for these areas.
- (b) Upon request, the Office of Economic and Demographic Research and OPPAGA must be provided with all data necessary to complete the report, including any confidential data, by any entity with information related to this review. The offices may collaborate on all data collection and analysis.
- (c) The Office of Economic and Demographic Research and OPPAGA shall submit a report to the President of the Senate and the Speaker of the House of Representatives by December 31, 2025. The report must provide recommendations to address any findings, including any changes in statutory definitions or references to rural communities or areas, opportunities to enhance state support to rural communities or areas, outcome measures or other criteria that may be used to examine the effectiveness of state grant programs for rural communities or areas, and adjustments to program design, including changes to increase participation in state grant programs for rural communities or areas.
 - (d) This subsection expires July 1, 2026.
- Section 9. Present paragraphs (d) and (e) of subsection (7) of section 288.001, Florida Statutes, are redesignated as

930

931

932

933

934

935

936

937

938939

940

941942

943

944

945

946

947

948

949

950

951

952

953

954

955

956

957

3-00384A-25 2025110

paragraphs (e) and (f), respectively, and a new paragraph (d) is added to that subsection, to read:

 $288.001\,$ The Florida Small Business Development Center Network.—

- (7) ADDITIONAL STATE FUNDS; USES; PAY-PER-PERFORMANCE INCENTIVES; STATEWIDE SERVICE; SERVICE ENHANCEMENTS; BEST PRACTICES; ELIGIBILITY.—
- (d) Notwithstanding paragraphs (a), (b), and (c), the network shall use funds directly appropriated for the specific purpose of expanding service in rural communities, as defined in s. 288.0656, in addition to any funds allocated by the network from other sources. The network shall use the funds to develop an activity plan focused on network consultants and resources in rural communities. In collaboration with regional economic development organizations as defined in s. 288.018, the plan must provide for either full- or part-time consultants to be available for at least 20 hours per week in rural areas or be permanently stationed in rural areas. This may include establishing a circuit in specific rural locations to ensure the consultants' availability on a regular basis. By using the funds to create a regular presence in rural areas, the network can strengthen community collaboration, raise awareness of available resources to provide opportunities for new business development or existing business growth, and make professional experience, education, and business information available in these essential communities. The network may dedicate funds to facilitate local or regional events that focus on small business topics, provide consulting services, and leverage partner organizations, such as the regional economic development organizations, local workforce

959

960

961

962

963

964

965

966

967

968969

970

971

972973

974

975

976

977

978

979

980

981

982

983

984985

986

3-00384A-25 2025110

development boards as described in s. 445.07, and Florida College System institutions.

Section 10. Section 288.007, Florida Statutes, is amended to read:

288.007 Inventory of communities seeking to recruit businesses.—By September 30 of each year, a county or municipality that has a population of at least 25,000 or its local economic development organization, and each local government within a rural area of opportunity as defined in s. 288.0656 or its local economic development organization, shall must submit to the department a brief overview of the strengths, services, and economic development incentives that its community offers. The local government or its local economic development organization also shall must identify any industries that it is encouraging to locate or relocate to its area. Unless otherwise required pursuant to this section, a county or municipality having a population of 25,000 or less fewer or its local economic development organization seeking to recruit businesses may submit information as required in this section and may participate in any activity or initiative resulting from the collection, analysis, and reporting of the information to the department pursuant to this section.

Section 11. Section 288.013, Florida Statutes, is created to read:

288.013 Office of Rural Prosperity.-

(1) The Legislature finds that the unique characteristics and nature of the rural communities in this state are integral to making this state an attractive place to visit, work, and live. Further, the Legislature finds that building a prosperous

3-00384A-25 2025110

rural economy and vibrant rural communities is in the best interest of this state. Rural prosperity is integral to supporting this state's infrastructure, housing, and agricultural and food-processing needs, as well as promoting the health and advancement of the overall economy of this state. It is of importance to the state that its rural areas are able to grow, whether locally or in regional partnerships. To better serve rural communities, and in recognition of rural Florida's unique challenges and opportunities, the Office of Rural Prosperity is established to ensure these efforts are coordinated, focused, and effective.

- (2) The Office of Rural Prosperity is created within the Department of Commerce for the purpose of supporting rural communities by helping rural stakeholders navigate available programs and resources and representing rural interests across state government.
- (3) The Governor shall appoint a director to lead the office, subject to confirmation by the Senate. The director shall report to the secretary of the department and shall serve at the pleasure of the secretary.
 - (4) The office shall do all of the following:
- (a) Serve as the state's point of contact for rural local governments.
- ("REDI") pursuant to s. 288.0656.
- (c) Provide training and technical assistance to rural local governments on a broad range of community and economic development activities. The training and technical assistance may be offered using communications technology or in person and

3-00384A-25 2025110

must be recorded and posted to the office's website. The training and technical assistance must include, at a minimum, the following topics:

- 1. How to access state and federal resources, including training on the online rural resource directory required under paragraph (d).
- 2. Best practices relating to comprehensive planning, economic development, and land development in rural communities.
- 3. Strategies to address management and administrative capacity challenges unique to rural local governments.
- 4. Requirements of, and updates on recent changes to, the Community Planning Act under s. 163.3161.
- 5. Updates on other recent state and federal laws affecting rural local governments.
- (d) Create and maintain an online rural resource directory to serve as an interactive tool to navigate the various state and federal resources, tools, and services available to rural local governments. The office shall regularly maintain the resource directory and, to the greatest extent possible, include up-to-date information on state and federal programs, resources, tools, and services that address the needs of rural communities in all areas of governance. Each state agency shall routinely provide information and updates to the office for maintenance of the resource directory. The resource directory must allow users to search by indicators, such as agency name, resource type, or topic, and include a notification function to allow users to receive alerts when new or modified resources are available. To the greatest extent possible, the resource directory must include information on financial match requirements for the

3-00384A-25 2025110

state and federal programs listed in the directory.

- (5) (a) By October 1, 2025, the office shall establish and staff seven regional rural community liaison centers across this state for the purpose of providing specialized in-person state support to local governments in rural areas of opportunity as defined in s. 288.0656. The department shall by rule divide this state into seven regions and assign a regional rural community liaison center to each region. Each liaison center shall support the local governments within its geographic territory and shall be staffed with at least two full-time department personnel. At a minimum, liaison centers shall have the following powers, duties, and functions:
- 1. Work with local governments to plan and achieve goals for local or regional growth, economic development, and rural prosperity.
- 2. Facilitate local government access to state and federal resources, such as grants, loans, and other aid or resources.
- 3. Advise local governments on available waivers of program requirements, including financial match waivers or reductions, for projects using state or federal funds through the Rural Economic Development Initiative under s. 288.0656.
- 4. Coordinate local government technical assistance needs with the department and other state or federal agencies.
- 5. Promote model ordinances, policies, and strategies related to economic development.
- 6. Assist local governments with regulatory and reporting compliance.
- (b) To the greatest extent possible, the regional rural community liaison centers shall coordinate with local and

1075

1076

1077

1078

1079

1080

1081

1082

1083

1084

1085

1086

1087

10881089

1090

1091

1092

1093

1094

1095

1096

1097

1098 1099

1100

1101

1102

3-00384A-25 2025110

regional governmental entities, regional economic development organizations as defined in s. 288.018, and other appropriate entities to establish a network to foster community-driven solutions that promote viable and sustainable rural communities.

- (c) The regional rural community liaison centers shall regularly engage with the Rural Economic Development Initiative established in s. 288.0656, and at least one staff member from each liaison center shall attend, either in person or by means of electronic communication, the monthly meetings required by s. 288.0656(6)(c).
- (6) By December 1, 2025, and each year thereafter, the director of the office shall submit to the Administration Commission in the Executive Office of the Governor a written report describing the office's operations and accomplishments for the preceding year, inclusive of the Rural Economic Development Initiative report required by s. 288.0656(8). In consultation with the Department of Agriculture and Consumer Services, the office shall also include in the annual report recommendations for policies, programs, and funding to further support the needs of rural communities in this state. The office shall submit the annual report to the President of the Senate and the Speaker of the House of Representatives by December 1 of each year and publish the annual report on the office's website. The director shall present, in person at the next scheduled Administration Commission meeting, detailed information from the annual report required by this subsection.
- (7) (a) The Office of Program Policy Analysis and Government Accountability (OPPAGA) shall review the effectiveness of the office by December 15, 2026, and each year thereafter until

3-00384A-25 2025110

2028. Beginning in 2029, OPPAGA shall review and evaluate the
office every 3 years and shall submit a report based on its
findings. Each report must recommend policy and statutory
modifications for consideration by the Legislature. OPPAGA shall
submit each report to the President of the Senate and the
Speaker of the House of Representatives pursuant to the
schedule.

- (b) OPPAGA shall review strategies implemented by other states on rural community preservation, enhancement, and revitalization and report on their effectiveness and potential for implementation in this state. OPPAGA shall include its findings in its report to the President of the Senate and the Speaker of the House of Representatives by December 15, 2027, and every 3 years thereafter.
- (c)1. OPPAGA shall review each state-funded or state-administered grant and loan program available to local governments to:
- a. Identify any specified local government financial match requirements and whether any portion of a match may be waived or is required to be waived, pursuant to law, and programs where a financial match waiver may be appropriate for rural local government applicants, if not contemplated by law.
- b. Identify grant and loan application evaluation criteria, including scoring procedures, for programs that may be perceived to be overly burdensome for rural local government applicants, and whether special accommodations or preferences for rural local governments may be appropriate.
- 2. OPPAGA shall produce a report based on its review and submit the report to the President of the Senate and the Speaker

1136

1137

1138

1139

1140

1141

1142

11431144

11451146

1147

1148

1149

1150

1151

1152

1153

1154

1155

11561157

1158

11591160

3-00384A-25 2025110

of the House of Representatives by December 15, 2026. This paragraph expires June 30, 2027.

Section 12. Section 288.014, Florida Statutes, is created to read:

288.014 Renaissance Grants Program.-

- (1) The Legislature finds that it has traditionally provided programs to assist rural communities with economic development and enhance their ability to attract businesses and that, by providing that extra component of economic viability, rural communities are able to attract new businesses and grow existing ones. However, the Legislature finds that a subset of rural communities has decreased in population over the past decade, contributing to a decline in local business activity and economic development. The Legislature further finds that the state must transform its assistance to these specific rural communities to help them achieve a necessary precursor of economic viability. The Legislature further finds that the approach intended by the creation of renaissance grants is to focus on reversing the economic deterioration in rural communities by retaining and attracting residents by giving them a reason to stay, which is the impetus of natural economic growth, business opportunities, and increased quality of life.
- (2) The Office of Rural Prosperity within the department shall administer the Renaissance Grants Program to provide block grants to eligible counties. By October 1, 2025, the Office of Economic and Demographic Research shall certify to the Office of Rural Prosperity which counties are growth-impeded. For the purposes of this section, "growth-impeded" means a county that, as of the most recent population estimate, has had a declining

3-00384A-25 2025110

population over the last 10 years. After an initial certification, the Office of Economic and Demographic Research shall annually certify whether the county remains growth—impeded, until the county has 3 consecutive years of population growth. Upon such certification of population growth, the county is eligible to participate in the program for 1 additional year in order for the county to prepare for the end of block grant funding.

- (3) (a) Each participating county shall enter into an agreement with the Office of Rural Prosperity to receive the block grant. Each county has broad authority to design its specific plan to achieve population growth within the broad parameters identified in this section. The Office of Rural Prosperity may not determine the manner in which the county implements the block grant. However, regional rural community liaison center staff shall provide assistance in developing the county's plan, upon request.
- (b) Each participating county shall report annually to the Office of Rural Prosperity on activities undertaken, intergovernmental agreements entered into, and other information as required by the office.
- (c) Each participating county shall receive \$1 million from the funds appropriated to the program. Counties participating in the program shall make all attempts to limit expenses for administrative costs, consistent with the need for prudent management and accountability in the use of public funds. Each county may contribute other funds for block grant purposes, including local, state, or federal grant funds, or seek out inkind or financial contributions from private or public sources

3-00384A-25 2025110

1190 to assist in fulfilling the activities undertaken.

- (4) (a) A participating county shall hire and retain a renaissance coordinator and may use block grant funds for this purpose. The renaissance coordinator is responsible for:
- 1. Ensuring that block grant funds are used as provided in this section;
- 2. Coordinating with other local governments, school boards, Florida College System institutions, or other entities; and
- 3. Reporting as necessary to the state, including information necessary pursuant to subsection (7).
- (b) The Office of Rural Prosperity regional rural community liaison center staff shall provide assistance, upon request, and training to the renaissance coordinator to ensure successful implementation of the block grant.
- (5) A participating county shall design a plan to make targeted investments in the community to achieve population growth and increase the economic vitality of the community. The plan must include the following key features for use of the state support:
- (a) Technology centers with extended hours located within schools or on school premises, administered by the local school board, for such schools which provide extended hours and support for access by students.
- (b) Facilities that colocate adult day care with child care facilities. The site-sharing facilities must be managed to also provide opportunities for direct interaction between generations and increase the health and well-being of both younger and older participants, reduce social isolation, and create cost and time

3-00384A-25 2025110

efficiencies for working family members. The regional rural
community liaison center staff of the Office of Rural Prosperity
shall assist the county, upon request, with bringing to the
Rural Economic Development Initiative or directly to the
appropriate state agency recommendations necessary to streamline
any required state permits, licenses, regulations, or other
requirements.

- (c) Technology labs managed in agreement with the nearest Florida College System institution or a career center as established under s. 1001.44. Repurposing vacant industrial sites or existing office space must be given priority in the selection of lab locations. Each local technology lab must be staffed and open for extended hours with the capacity to provide:
- 1. Access to trainers and equipment necessary for users to earn various certificates or online degrees in technology;
- 2. Hands-on assistance with applying for appropriate remote work opportunities; and
- 3. Studio space with equipment for graduates and other qualifying residents to perform remote work that is based on the use of technology. Collaboration with community partners, including the local workforce development board as described in s. 445.007, to provide training opportunities, in-kind support such as transportation to and from the lab, financing of equipment for in-home use, or basic maintenance of such equipment is required.
- (6) In addition to the hiring of a renaissance coordinator, a participating county shall develop intergovernmental agreements for shared responsibilities with its municipalities,

3-00384A-25 2025110

school board, and Florida College System institution or career

center and enter into necessary contracts with providers and

community partners in order to implement the plan.

- (7) (a) Every 2 years, the Auditor General shall conduct an operational audit as defined in s. 11.45 of each county's grant activities, beginning in 2026.
- (b) On December 31, 2026, and every year thereafter, the Office of Economic and Demographic Research shall submit an annual report of renaissance block grant recipients by county to the President of the Senate and the Speaker of the House of Representatives. The report must provide key economic indicators that measure progress in altering longer-term trends in the county. The Office of Rural Prosperity shall provide the Office of Economic and Demographic Research with information as requested to complete the report.
- (8) Notwithstanding s. 216.301, funds appropriated for the purposes of this section are not subject to reversion.
 - (9) This section expires June 30, 2040.
- Section 13. Section 288.0175, Florida Statutes, is created to read:
- 1268 <u>288.0175 Public Infrastructure Smart Technology Grant</u> 1269 Program.—
 - (1) The Public Infrastructure Smart Technology Grant
 Program is established within the Office of Rural Prosperity
 within the department to fund and support the development of
 public infrastructure smart technology projects in communities
 located in rural areas of opportunity, subject to legislative
 appropriation.
 - (2) As used in this section, the term:

3-00384A-25 2025110

1277 (a) "Public infrastructure smart technology" means systems
1278 and applications that use connectivity, data analytics, and
1279 automation to improve public infrastructure by increasing
1280 efficiency, enhancing public services, and promoting sustainable
1281 development.

- (b) "Rural area of opportunity" has the same meaning as in s. 288.0656.
- (c) "Smart technology lead organization" means a not-for-profit corporation organized under s. 501(c)(3) of the Internal Revenue Code which has been in existence for at least 3 years and specializes in smart region planning.
- (3) (a) The Office of Rural Prosperity shall contract with one or more smart technology lead organizations to administer the grant program for the purpose of deploying public infrastructure smart technology in rural communities. In accordance with the terms required by the office, the smart technology lead organization shall provide grants to counties and municipalities located within a rural area of opportunity for public infrastructure smart technology projects.
- (b) The office's contract with a smart technology lead organization must specify the contract deliverables, including financial reports and other reports due the office, timeframes for achieving contractual obligations, and any other requirements the office determines are necessary. The contract must require the smart technology lead organization to do the following:
- 1. Collaborate with counties and municipalities located in rural areas of opportunity to identify opportunities for local governments to institute cost-effective smart technology

3-00384A-25 2025110

solutions for improving public services and infrastructure.

- 2. Provide technical assistance to counties and municipalities located in rural areas of opportunity in developing plans for public infrastructure smart technology projects.
- 3. Assist counties and municipalities located in rural areas of opportunity in connecting with other communities, companies, and other entities to leverage the impact of each public infrastructure smart technology project.
- $\underline{\ \ }$ (4) The office shall include in its annual report required by s. 288.013(6) a description of the projects funded under this section.
- Section 14. Subsections (1), (2), and (4) of section 288.018, Florida Statutes, are amended to read:
 - 288.018 Regional Rural Development Grants Program.-
- (1) (a) For the purposes of this section, the term "regional economic development organization" means an economic development organization located in or contracted to serve a rural area of opportunity, as defined in $\underline{s.\ 288.0656}$ $\underline{s.\ 288.0656(2)(d)}$.
- Prosperity department shall establish a grant program to provide funding to regional economic development organizations for the purpose of building the professional capacity of those organizations. Building the professional capacity of a regional economic development organization includes hiring professional staff to develop, deliver, and provide needed economic development professional services, including technical assistance, education and leadership development, marketing, and project recruitment. Grants may also be used by a regional

3-00384A-25 2025110

economic development organization to provide technical assistance to local governments, local economic development organizations, and existing and prospective businesses.

- (c) A regional economic development organization may apply annually to the <u>office</u> department for a grant. The <u>office</u> department is authorized to approve, on an annual basis, grants to such regional economic development organizations. The <u>office</u> may award a maximum amount of \$50,000 in a year to maximum amount an organization may receive in any year will be \$50,000, or \$250,000 <u>each to for</u> any three regional economic development organizations that serve an entire region of a rural area of opportunity designated pursuant to s. 288.0656(7) if they are recognized by the office department as serving such a region.
- (2) In approving the participants, the <u>office</u> department shall require the following:
- (a) Documentation of official commitments of support from each of the units of local government represented by the regional organization.
- (b) Demonstration that the organization is in existence and actively involved in economic development activities serving the region.
- (c) Demonstration of the manner in which the organization is or will coordinate its efforts with those of other local and state organizations.
- Appropriations Act, the department may expend up to \$750,000 each fiscal year from funds appropriated to the Rural Community Development Revolving Loan Fund for the purposes outlined in this section.

3-00384A-25 2025110

Section 15. Section 288.019, Florida Statutes, is amended to read:

288.019 Rural considerations in grant review and evaluation processes; financial match waiver or reduction.—

- $\underline{(1)}$ Notwithstanding any other law, and to the fullest extent possible, <u>each agency and organization</u> the member agencies and organizations of the Rural Economic Development Initiative (REDI) as defined in <u>s. 288.0656</u> <u>s. 288.0656(6)(a)</u> shall review:
- (a) All grant and loan application evaluation criteria and scoring procedures to ensure the fullest access for rural communities counties as defined in $\underline{s.\ 288.0656}$ $\underline{s.\ 288.0656(2)}$ to resources available throughout the state; and
- (b) The financial match requirements for projects in rural communities.
- (2) (1) Each REDI agency and organization shall consider the impact on and ability of rural communities to meet and be competitive under such criteria, scoring, and requirements. Upon review, each REDI agency and organization shall review all evaluation and scoring procedures and develop a proposal for modifications to those procedures which minimize the financial and resource impact to a rural community, including waiver or reduction of any required financial match requirements impact of a project within a rural area.
- (a) (2) Evaluation criteria and scoring procedures must provide for an appropriate ranking, when ranking is a component of the program, based on the proportionate impact that projects have on a rural area when compared with similar project impacts on an urban area. Additionally,

3-00384A-25 2025110

 $\overline{(3)}$ evaluation criteria and scoring procedures must recognize the disparity of available fiscal resources for an equal level of financial support from an urban county $\overline{\text{or}}$ municipality and a rural county or municipality.

- (a) The evaluation criteria should weight contribution in proportion to the amount of funding available at the local level.
- (b) Match requirements must be waived or reduced for rural communities. When appropriate, an in-kind match must should be allowed and applied as a financial match when a rural community county is experiencing economic financial distress as defined in s. 288.0656 through elevated unemployment at a rate in excess of the state's average by 5 percentage points or because of the loss of its ad valorem base. Donations of land, though usually not recognized as an in-kind match, may be treated as such. As appropriate, each agency and organization that applies for or receives federal funding must request federal approval to waive or reduce the financial match requirements, if any, for projects in rural communities.
- (3) (4) For existing programs, The proposal modified evaluation criteria and scoring procedure must be submitted delivered to the Office of Rural Prosperity department for distribution to the REDI agencies and organizations. The REDI agencies and organizations shall review and make comments and recommendations that. Future rules, programs, evaluation criteria, and scoring processes must be brought before a REDI meeting for review, discussion, and recommendation to allow rural communities counties fuller access to the state's resources.

3-00384A-25 2025110__

(4) Each REDI agency and organization shall ensure that related administrative rules or policies are modified, as necessary, to reflect the finalized proposal and that information about the authorized wavier or reduction is included in the online rural resource directory of the Office of Rural Prosperity required in s. 288.013(4)(d).

(5) The rural liaison from the related regional district shall assist the rural community to make requests of waiver or reduction of match.

Section 16. Subsection (3) is added to section 288.021, Florida Statutes, to read:

288.021 Economic development liaison.-

(3) When practicable, the staff member appointed as the economic development liaison shall also serve as the agency representative for the Rural Economic Development Initiative pursuant to s. 288.0656.

Section 17. Section 288.065, Florida Statutes, is amended to read:

288.065 Rural Community Development Revolving Loan Fund.-

(1) The Rural Community Development Revolving Loan Fund Program is established within the Office of Rural Prosperity department to facilitate the use of existing federal, state, and local financial resources by providing local governments with financial assistance to further promote the economic viability of rural communities. These funds may be used to finance initiatives directed toward maintaining or developing the economic base of rural communities, especially initiatives addressing employment opportunities for residents of these communities.

3-00384A-25 2025110

1451 (2)(a) The program shall provide for long-term loans, loan guarantees, and loan loss reserves to units of local governments, or economic development organizations substantially underwritten by a unit of local government.

- (b) For purposes of this section, the term "unit of local government" means:
- 1. A county within counties with a population populations of 75,000 or less. fewer, or within any
- $\underline{\text{2. A}}$ county with a population of 125,000 or $\underline{\text{less}}$ $\underline{\text{fewer}}$ which is contiguous to a county with a population of 75,000 or less. $\underline{\text{fewer}}$
- 3. A municipality within a county described in subparagraph

 1. or subparagraph 2.
- 4. A county or municipality within a rural area of opportunity.

For purposes of this paragraph, population is determined in accordance with the most recent official estimates pursuant to s. 186.901 and must include those residing in incorporated and unincorporated areas of a county, based on the most recent official population estimate as determined under s. 186.901, including those residing in incorporated areas and those residing in unincorporated areas of the county, or to units of local government, or economic development organizations substantially underwritten by a unit of local government, within a rural area of opportunity.

 $\underline{\text{(c)}}$ Requests for loans $\underline{\text{must}}$ shall be made by application to the $\underline{\text{office}}$ department. Loans $\underline{\text{must}}$ shall be made pursuant to agreements specifying the terms and conditions agreed to between

3-00384A-25 2025110

the applicant and the department. The loans $\underline{\text{are}}$ shall be the legal obligations of the applicant.

- (d) (c) All repayments of principal and interest shall be returned to the loan fund and made available for loans to other applicants. However, in a rural area of opportunity designated under s. 288.0656 by the Governor, and upon approval by the office department, repayments of principal and interest may be retained by the applicant if such repayments are dedicated and matched to fund regionally based economic development organizations representing the rural area of opportunity.
- (3) The <u>office</u> department shall manage the fund, establishing loan practices that must include, but are not limited to, procedures for establishing loan interest rates, uses of funding, application procedures, and application review procedures. The <u>office has</u> department shall have final approval authority for any loan under this section.
- (4) Notwithstanding the provisions of s. 216.301, funds appropriated for this <u>loan fund may purpose shall</u> not be subject to reversion.
- (5) The office shall include in its annual report required under s. 288.013 detailed information about the fund, including loans made during the previous fiscal year, loans active, loans terminated or repaid, and the amount of funds not obligated as of 14 days before the date the report is due.
- Section 18. Subsections (1), (2), and (3) of section 288.0655, Florida Statutes, are amended, and subsection (6) is added to that section, to read:
 - 288.0655 Rural Infrastructure Fund.-
 - (1) There is created within the Office of Rural Prosperity

1510

1511

1512

1513

15141515

1516

15171518

1519

1520

1521

1522

1523

1524

1525

1526

1527

1528

1529

1530

1531

1532

1533

1534

1535

1536

1537

3-00384A-25 2025110

department the Rural Infrastructure Fund to facilitate the planning, preparing, and financing of infrastructure projects in rural communities which will encourage job creation, capital investment, and the strengthening and diversification of rural economies by promoting tourism, trade, and economic development.

- (2) (a) Funds appropriated by the Legislature shall be distributed by the <u>office</u> department through grant programs that maximize the use of federal, local, and private resources, including, but not limited to, those available under the Small Cities Community Development Block Grant Program.
- To facilitate access of rural communities and rural areas of opportunity as defined by the Rural Economic Development Initiative to infrastructure funding programs of the Federal Government, such as those offered by the United States Department of Agriculture and the United States Department of Commerce, and state programs, including those offered by Rural Economic Development Initiative agencies, and to facilitate local government or private infrastructure funding efforts, the office department may award grants for up to 75 percent of the total infrastructure project cost, or up to 100 percent of the total infrastructure project cost for a project located in a rural community as defined in s. 288.0656(2) which is also located in a fiscally constrained county as defined in s. 218.67(1) or a rural area of opportunity as defined in s. 288.0656(2). Eligible uses of funds may include improving any inadequate infrastructure that has resulted in regulatory action that prohibits economic or community growth and reducing the costs to community users of proposed infrastructure improvements that exceed such costs in comparable communities. Eligible uses

1557

1558

1559

1560

1561

1562

1563

1564

1565

1566

3-00384A-25 2025110

1538 of funds include improvements to public infrastructure for 1539 industrial or commercial sites and upgrades to or development of 1540 public tourism infrastructure. Authorized infrastructure may 1541 include the following public or public-private partnership 1542 facilities: storm water systems; telecommunications facilities; 1543 roads or other remedies to transportation impediments; nature-1544 based tourism facilities; or other physical requirements 1545 necessary to facilitate tourism, trade, and economic development 1546 activities in the community. Authorized infrastructure may also include publicly or privately owned self-powered nature-based 1547 1548 tourism facilities, publicly owned telecommunications 1549 facilities, and additions to the distribution facilities of the 1550 existing natural gas utility as defined in s. 366.04(3)(c), the 1551 existing electric utility as defined in s. 366.02, or the 1552 existing water or wastewater utility as defined in s. 1553 367.021(12), or any other existing water or wastewater facility, 1554 which owns a gas or electric distribution system or a water or 1555 wastewater system in this state when:

- 1. A contribution-in-aid of construction is required to serve public or public-private partnership facilities under the tariffs of any natural gas, electric, water, or wastewater utility as defined herein; and
- 2. Such utilities as defined herein are willing and able to provide such service.
- (c) The office department may award grants of up to \$300,000 for infrastructure feasibility studies, design and engineering activities, or other infrastructure planning and preparation or site readiness activities. Site readiness expenses may include clearing title, surveys, permitting,

3-00384A-25 2025110

environmental studies, and regulatory compliance costs. Grants awarded under this paragraph may be used in conjunction with grants awarded under paragraph (b). In evaluating applications under this paragraph, the office department shall consider the extent to which the application seeks to minimize administrative and consultant expenses.

- (d) The office department shall participate in a memorandum of agreement with the United States Department of Agriculture under which state funds available through the Rural Infrastructure Fund may be advanced, in excess of the prescribed state share, for a project that has received from the United States Department of Agriculture a preliminary determination of eligibility for federal financial support. State funds in excess of the prescribed state share which are advanced pursuant to this paragraph and the memorandum of agreement shall be reimbursed when funds are awarded under an application for federal funding.
- (e) To enable local governments to access the resources available pursuant to s. 403.973(17), the office department may award grants for surveys, feasibility studies, and other activities related to the identification and preclearance review of land which is suitable for preclearance review. Authorized grants under this paragraph may not exceed \$75,000 each, except in the case of a project in a rural area of opportunity, in which case the grant may not exceed \$300,000. Any funds awarded under this paragraph must be matched at a level of 50 percent with local funds, except that any funds awarded for a project in a rural area of opportunity do not require a match of local funds. If an application for funding is for a catalyst site, as

3-00384A-25 2025110

defined in s. 288.0656, the requirement for local match may be waived pursuant to the process in s. 288.06561. In evaluating applications under this paragraph, the office department shall consider the extent to which the application seeks to minimize administrative and consultant expenses.

- Operation (3) The office department, in consultation with the Department of Transportation Florida Tourism Industry Marketing Corporation, the Department of Environmental Protection, and the Florida Fish and Wildlife Conservation Commission, as appropriate, shall review and certify applications pursuant to s. 288.061. The review must include an evaluation of the economic benefit and long-term viability. The office has department shall have final approval for any grant under this section.
- (6) The office shall include in its annual report required under s. 288.013 detailed information about the fund, including grants made for the year, grants active, grants terminated or complete, and the amount of funds not obligated as of 14 days before the date the report is due.

Section 19. Subsection (1), paragraphs (a), (b), and (e) of subsection (2), subsections (3) and (6), paragraph (c) of subsection (7), and subsection (8) of section 288.0656, Florida Statutes, are amended to read:

288.0656 Rural Economic Development Initiative. -

(1) (a) Recognizing that rural communities and regions continue to face extraordinary challenges in their efforts to significantly improve their economies, specifically in terms of personal income, job creation, average wages, and strong tax bases, it is the intent of the Legislature to encourage and

3-00384A-25 2025110

facilitate the location and expansion of major economic development projects of significant scale in such rural communities. The Legislature finds that rural communities are the essential conduits for the economy's distribution, manufacturing, and food supply.

- (b) The Rural Economic Development Initiative, known as "REDI," is created within the Office of Rural Prosperity department, and all the participation of state and regional agencies listed in paragraph (6)(a) shall participate in this initiative is authorized.
 - (2) As used in this section, the term:
- (a) "Catalyst project" means a business locating or expanding in a rural area of opportunity to serve as an economic generator of regional significance for the growth of a regional target industry cluster. The project must provide capital investment on a scale significant enough to affect the entire region and result in the development of high-wage and high-skill jobs.
- (b) "Catalyst site" means a parcel or parcels of land within a rural area of opportunity that has been prioritized as a geographic site for economic development through partnerships with state, regional, and local organizations. The site must be reviewed by REDI and approved by the department for the purposes of locating a catalyst project.
 - (c) (e) "Rural community" means:
 - 1. A county with a population of 75,000 or less fewer.
- 2. A county with a population of 125,000 or $\frac{less}{fewer}$ which is contiguous to a county with a population of 75,000 or less $\frac{fewer}{fewer}$.

s. 186.901.

3-00384A-25 2025110

3. A municipality within a county described in subparagraph
1655 1. or subparagraph 2.

4. An unincorporated federal enterprise community or an incorporated rural city with a population of 25,000 or less
fewer and an employment base focused on traditional agricultural or resource-based industries, located in a county not defined as rural, which has at least three or more of the economic distress factors identified in paragraph (c) and verified by the department.

For purposes of this paragraph, population shall be determined in accordance with the most recent official estimate pursuant to

(3) REDI shall be responsible for coordinating and focusing the efforts and resources of state and regional agencies on the problems which affect the fiscal, economic, and community viability of Florida's economically distressed rural communities, working with local governments, community-based organizations, and private organizations that have an interest in the growth and development of these communities to find ways to balance environmental and growth management issues with local needs.

- (6) (a) By August 1 of each year, the head of each of the following agencies and organizations shall designate a deputy secretary or higher-level staff person from within the agency or organization to serve as the REDI representative for the agency or organization:
 - 1. The Department of Transportation.
 - 2. The Department of Environmental Protection.

Page 58 of 129

1685

1686

1689

16921693

1694

1695

1697

1698

1699

1700

1701

1702

1703

1704

1705

1706

1707

1708

17091710

1711

3-00384A-25 2025110

1683 3. The Department of Agriculture and Consumer Services.

- 4. The Department of State.
- 5. The Department of Health.
- 6. The Department of Children and Families.
- 7. The Department of Corrections.
- 1688 8. The Department of Education.
 - 9. The Department of Juvenile Justice.
- 1690 10. The Fish and Wildlife Conservation Commission.
- 1691 11. Each water management district.
 - 12. CareerSource Florida, Inc.
 - 13. VISIT Florida.
 - 14. The Florida Regional Planning Council Association.
 - 15. The Agency for Health Care Administration.
- 1696 16. The Institute of Food and Agricultural Sciences (IFAS).
 - (b) An alternate for each designee <u>must shall</u> also be chosen, who must also be a deputy secretary or higher-level staff person, and the names of the designees and alternates <u>must shall</u> be <u>reported sent</u> to the <u>director of the Office of Rural Prosperity</u>. At least one rural liaison from each regional rural community liaison center must participate in the REDI meetings Secretary of Commerce.
 - (c) REDI shall meet at least each month, but may meet more often as necessary. Each REDI representative, or his or her designee, shall be physically present or available by means of electronic communication for each meeting.
 - (d) (b) Each REDI representative must have comprehensive knowledge of his or her agency's functions, both regulatory and service in nature, and of the state's economic goals, policies, and programs. This person shall be the primary point of contact

3-00384A-25 2025110__

for his or her agency with REDI on issues and projects relating to economically distressed rural communities and with regard to expediting project review, shall ensure a prompt effective response to problems arising with regard to rural issues, and shall work closely with the other REDI representatives in the identification of opportunities for preferential awards of program funds, contractual or other agreement provisions which meet the requirements of s. 215.971, and allowances and waiver of program requirements when necessary to encourage and facilitate long-term private capital investment and job creation.

- (e) (c) The REDI representatives shall work with REDI in the review and evaluation of statutes and rules for adverse impact on rural communities and the development of alternative proposals to mitigate that impact.
- (f)(d) Each REDI representative shall be responsible for ensuring that each district office or facility of his or her agency is informed <u>quarterly</u> about the Rural Economic Development Initiative and for providing assistance throughout the agency in the implementation of REDI activities.

(7)

- (c) Each rural area of opportunity may designate catalyst projects, provided that each catalyst project is specifically recommended by REDI and confirmed as a catalyst project by the department. All state agencies and departments shall use all available tools and resources to the extent permissible by law to promote the creation and development of each catalyst project and the development of catalyst sites.
 - (8) REDI shall submit a report to the Office of Rural

17461747

1748

1749

1750

1751

1752

1753

1754

1755

1756

1757

1758

1759

1760

1761

1762

17631764

1765

1766

1769

3-00384A-25 2025110

Prosperity department on all REDI activities for the previous fiscal year as a supplement to the office's department's annual report required under s. 288.013 s. 20.60. This supplementary report must include:

- (a) A status report on every project all projects currently being coordinated through REDI, the number of preferential awards and allowances made pursuant to this section in detail by award, allowance, or match type, the dollar amount of such awards, and the names of the recipients.
- (b) A description of all waivers of program requirements granted, including a list by program of each waiver that was granted. If waivers were requested but were not granted, a list of ungranted waivers, including reasons why the waivers were not granted, must be included.
- (c) $\underline{\text{Detailed}}$ information as to the economic impact of the projects coordinated by REDI.
- (d) Recommendations based on the review and evaluation of statutes and rules having an adverse impact on rural communities and proposals to mitigate such adverse impacts.
- (e) Legislative recommendations for statutory waivers or reductions of specified economic development program requirements, including financial match waivers or reductions, for applicants within rural areas of opportunity.
- (f) Outcomes of proposals submitted pursuant to s. 288.019. Section 20. Section 288.06561, Florida Statutes, is repealed.
- Section 21. Subsections (2), (3), and (4) of section 288.0657, Florida Statutes, are amended to read:
 - 288.0657 Florida rural economic development strategy

3-00384A-25 2025110

1770 grants.-

(2) The Office of Rural Prosperity shall provide department may accept and administer moneys appropriated to the department for providing grants to assist rural communities to develop and implement strategic economic development plans. Grants may be provided to assist with costs associated with marketing a site to business and site selectors for an economic development project that is part of an economic development plan, either as part of funding to develop and implement a plan or related to an already adopted plan.

- (3) A rural community, an economic development organization in a rural area, or a regional organization representing at least one rural community or such economic development organizations may apply for such grants. The rural liaison for the rural community shall assist those applying for such grants.
- (4) The office department shall establish criteria for reviewing grant applications. These criteria must shall include, but are not limited to, the degree of participation and commitment by the local community and the application's consistency with local comprehensive plans or the application's proposal to ensure such consistency. Grants for marketing may include funding for advertising campaign materials and costs associated with meetings, trade missions, and professional development affiliated with site preparation and marketing. The office department shall review each application for a grant. The department may approve grants only to the extent that funds are appropriated for such grants by the Legislature.
- Section 22. Paragraph (f) of subsection (2) and paragraphs (a), (b), and (c) of subsection (4) of section 288.9961, Florida

3-00384A-25 2025110

Statutes, are amended, and subsections (6) and (7) are added to that section, to read:

288.9961 Promotion of broadband adoption; Florida Office of Broadband.—

- (2) DEFINITIONS.—As used in this section, the term:
- (f) "Underserved" means a geographic area of this state in which there is no provider of broadband Internet service that offers a connection to the Internet with a capacity for transmission at a consistent speed of at least 100 megabits per second downstream and at least $\underline{20}$ $\underline{10}$ megabits per second upstream.
- (4) FLORIDA OFFICE OF BROADBAND.—The Florida Office of Broadband is created within the Division of Community Development in the department for the purpose of developing, marketing, and promoting broadband Internet services in this state. The office, in the performance of its duties, shall do all of the following:
- (a) Create a strategic plan that has goals and strategies for increasing and improving the availability of, access to, and use of broadband Internet service in this state. In development of the plan, the department shall incorporate applicable federal broadband activities, including any efforts or initiatives of the Federal Communications Commission, to improve broadband Internet service in this state. The plan must identify available federal funding sources for the expansion or improvement of broadband. The strategic plan must be submitted to the Governor, the President of the Senate, and the Speaker of the House of Representatives by June 30, 2022. The strategic plan must be updated biennially thereafter. The plan must include a process

1829

1830

1831

1832

18331834

1835

18361837

1838

1839

1840

1841

1842

1843

1844

1845

1846

1847

1848

1849

1850

1851

18521853

1854

1855

1856

3-00384A-25 2025110

to review and verify public input regarding transmission speeds and availability of broadband Internet service throughout this state. The office shall consult with each regional rural community liaison center within the Office of Rural Prosperity on the development and update of the plan.

- (b) Build and facilitate local technology planning teams or partnerships with members representing cross-sections of the community, which may include, but are not limited to, representatives from the following organizations and industries: libraries, K-12 education, colleges and universities, local health care providers, private businesses, community organizations, economic development organizations, local governments, tourism, parks and recreation, and agriculture. The local technology planning teams or partnerships shall work with rural communities to help the communities understand their current broadband availability, locate unserved and underserved businesses and residents, identify assets relevant to broadband deployment, build partnerships with broadband service providers, and identify opportunities to leverage assets and reduce barriers to the deployment of broadband Internet services in the community. The teams or partnerships must be proactive in rural communities as defined in s. 288.0656 fiscally constrained counties in identifying and providing assistance, in coordination with the regional rural community liaison centers within the Office of Rural Prosperity, with applying for federal grants for broadband Internet service.
- (c) Provide technical and planning assistance to rural communities in coordination with the regional rural community liaison centers within the Office of Rural Prosperity.

3-00384A-25 2025110

of the Senate, and the Speaker of the House of Representatives a quarterly report detailing the implementation of broadband activities in rural, unserved, and underserved communities. Such information must be listed by county and include the amount of state and federal funds allocated and expended in the county by program; the progress toward deploying broadband in the county; any technical assistance provided; the activities of the local technology planning teams and partnerships; and the fulfillment of any other duties of the office required by this part.

(7) By December 31 each year, the office shall submit to the Governor, the President of the Senate, and the Speaker of the House of Representatives an annual report on the office's operations and accomplishments for that calendar year and the status of broadband Internet service access and use in this state. The report must also incorporate the quarterly reports on rural, unserved, and underserved communities required by subsection (6).

Section 23. <u>Section 290.06561, Florida Statutes, is</u> repealed.

Section 24. Paragraph (a) of subsection (5) of section 319.32, Florida Statutes, is amended to read:

319.32 Fees; service charges; disposition.-

(5)(a) Forty-seven dollars of each fee collected, except for fees charged on a certificate of title for a motor vehicle for hire registered under s. 320.08(6), for each applicable original certificate of title and each applicable duplicate copy of a certificate of title shall be deposited <u>as follows: into the State Transportation Trust Fund. Deposits to the State</u>

3-00384A-25 2025110

Transportation Trust Fund pursuant to this paragraph may not exceed \$200 million in any fiscal year, and from any collections in excess of that amount during the fiscal year,

- $\underline{1.}$ The first \$30 million collected shall be deposited into the Highway Safety Operating Trust Fund; τ and
- $\underline{2.}$ Any remaining collections shall be paid into the \underline{State} Transportation Trust $\underline{General\ Revenue}$ Fund.

Section 25. Subsection (37) is added to section 334.044, Florida Statutes, to read:

- 334.044 Powers and duties of the department.—The department shall have the following general powers and duties:
- (37) To provide technical assistance and support from the appropriate district of the department to counties that are not located in a metropolitan planning organization created pursuant to s. 339.175.

Section 26. Section 339.0801, Florida Statutes, is amended to read:

- 339.0801 Allocation of increased revenues derived from amendments to s. 319.32(5)(a) by ch. 2012-128.
- (1) The first \$200 million of funds that result from increased revenues to the State Transportation Trust Fund derived from the amendments to s. 319.32(5) (a) made by s. 11, chapter 2012-128, Laws of Florida, this act must be used annually, first as set forth in paragraph (a) subsection (1) and then as set forth in paragraphs (b), (c), and (d) subsections $\frac{(2)-(4)}{(2)}$, notwithstanding any other provision of law:
- $\underline{(a)1.(1)(a)}$ Beginning in the 2013-2014 fiscal year and annually for 30 years thereafter, \$10 million shall be for the purpose of funding any seaport project identified in the adopted

3-00384A-25 2025110

work program of the Department of Transportation, to be known as the Seaport Investment Program.

- 2.(b) The revenues may be assigned, pledged, or set aside as a trust for the payment of principal or interest on revenue bonds, or other forms of indebtedness issued by an individual port or appropriate local government having jurisdiction thereof, or collectively by interlocal agreement among any of the ports, or used to purchase credit support to permit such borrowings. Alternatively, revenue bonds shall be issued by the Division of Bond Finance at the request of the Department of Transportation under the State Bond Act and shall be secured by such revenues as are provided in this subsection.
- 3.(c) Revenue bonds or other indebtedness issued hereunder are not a general obligation of the state and are secured solely by a first lien on the revenues distributed under this subsection.
- 4.(d) The state covenants with holders of the revenue bonds or other instruments of indebtedness issued pursuant to this subsection that it will not repeal this subsection; nor take any other action, including but not limited to amending this subsection, that will materially and adversely affect the rights of such holders so long as revenue bonds or other indebtedness authorized by this subsection are outstanding.
- 5. (e) The proceeds of any revenue bonds or other indebtedness, after payment of costs of issuance and establishment of any required reserves, shall be invested in projects approved by the Department of Transportation and included in the department's adopted work program, by amendment if necessary. As required under s. 11(f), Art. VII of the State

3-00384A-25 2025110

Constitution, the Legislature approves projects included in the department's adopted work program, including any projects added to the work program by amendment under s. 339.135(7).

- 6.(f) Any revenues that are not used for the payment of bonds as authorized by this subsection may be used for purposes authorized under the Florida Seaport Transportation and Economic Development Program. This revenue source is in addition to any amounts provided for and appropriated in accordance with ss. 311.07 and 320.20(3) and (4).
- $\underline{\text{(b)}}$ Beginning in the 2013-2014 fiscal year and annually thereafter, \$10 million shall be transferred to the Transportation Disadvantaged Trust Fund, to be used as specified in s. 427.0159.
- $\underline{\text{(c)}}$ Beginning in the 2013-2014 fiscal year and annually thereafter, \$10 million shall be allocated to the Small County Outreach Program to be used as specified in s. 339.2818. These funds are in addition to the funds provided for the program pursuant to s. 201.15(4)(a)2.
- $\underline{(d)}$ (4) After the distributions required pursuant to $\underline{paragraphs}$ (a), (b), and (c) $\underline{subsections}$ (1)-(3), the remaining funds shall be used annually for transportation projects within this state for existing or planned strategic transportation projects which connect major markets within this state or between this state and other states, which focus on job creation, and which increase this state's viability in the national and global markets.
- (2) The remaining funds that result from increased revenue to the State Transportation Trust Fund derived pursuant to s. 319.32(5)(a) must be used annually, notwithstanding any other

3-00384A-25 2025110

law, beginning in the 2025-2026 fiscal year and annually thereafter, for the Small County Road Assistance Program as prescribed in s. 339.2816.

 $\underline{(3)}$ (5) Pursuant to s. 339.135(7), the department shall amend the work program to add the projects provided for in this section.

Section 27. Subsection (3) and paragraph (a) of subsection (4) of section 339.2816, Florida Statutes, are amended, and paragraph (c) of subsection (4) of that section is reenacted, to read:

339.2816 Small County Road Assistance Program. -

- (3) Beginning with fiscal year 1999-2000 until fiscal year 2009-2010, and beginning again with fiscal year 2012-2013, up to \$25 million annually from the State Transportation Trust Fund must may be used for the purposes of funding the Small County Road Assistance Program as described in this section. In addition, beginning with fiscal year 2025-2026, the department must use the additional revenues allocated by s. 339.0801 for the Small County Road Assistance Program.
- (4) (a) Small counties shall be eligible to compete for funds that have been designated for the Small County Road Assistance Program for resurfacing or reconstruction projects on county roads that were part of the county road system on June 10, 1995. Capacity improvements on county roads are shall not be eligible for funding under the program unless a safety issue exists or the department finds it necessary to widen existing lanes as part of a resurfacing or reconstruction project.
- (c) The following criteria must be used to prioritize road projects for funding under the program:

2005

2006

2007

2008

2009

2010

2011

2012

2013

20142015

2016

2017

2018

2019

2020

2021

2022

2023

2024

2025

2026

2027

2028

2029

2030

3-00384A-25 2025110

2002 1. The primary criterion is the physical condition of the 2003 road as measured by the department.

- 2. As secondary criteria the department may consider:
- a. Whether a road is used as an evacuation route.
- b. Whether a road has high levels of agricultural travel.
- c. Whether a road is considered a major arterial route.
- d. Whether a road is considered a feeder road.
- e. Whether a road is located in a fiscally constrained county, as defined in s. 218.67(1).
- f. Other criteria related to the impact of a project on the public road system or on the state or local economy as determined by the department.
- Section 28. Subsections (1), (2), (3), (6), (7), and (8) of section 339.2818, Florida Statutes, are amended to read:
 - 339.2818 Small County Outreach Program. -
- (1) There is created within the department of

 Transportation the Small County Outreach Program. The purpose of
 this program is to assist small county governments in repairing
 or rehabilitating county bridges, paving unpaved roads,
 addressing road-related drainage improvements, resurfacing or
 reconstructing county roads, or constructing capacity or safety
 improvements to county roads.
- (2) For the purposes of this section, the term "small county" means any county that has a population of 200,000 or less as determined by the most recent official population census determination estimate pursuant to s. 186.901.
- (3) Funds allocated under this program, pursuant to s. 4, ch. 2000-257, Laws of Florida, are in addition to any funds provided pursuant to s. 339.2816, for the Small County Road

3-00384A-25 2025110

Assistance Program.

(5) (6) Funds paid into the State Transportation Trust Fund pursuant to <u>ss. 201.15</u>, 320.072, and 339.0801 <u>s. 201.15</u> for the purposes of the Small County Outreach Program are hereby annually appropriated for expenditure to support the Small County Outreach Program.

(6) (7) Subject to a specific appropriation in addition to funds annually appropriated for projects under this section, a municipality within a rural area of opportunity or a rural area of opportunity community designated under s. 288.0656(7)(a) may compete for the additional project funding using the criteria listed in subsection (3) (4) at up to 100 percent of project costs, excluding capacity improvement projects.

(8)—Subject to a specific appropriation in addition to funds appropriated for projects under this section, a local government either wholly or partially within the Everglades Agricultural Area as defined in s. 373.4592(15), the Peace River Basin, or the Suwannee River Basin may compete for additional funding using the criteria listed in paragraph (4)(c) at up to 100 percent of project costs on state or county roads used primarily as farm—to—market connections between rural agricultural areas and market distribution centers, excluding capacity improvement projects.

Section 29. Section 339.68 is amended to read:

(Substantial rewording of section.

See s. 339.68, F.S., for present text.)

339.68 Florida Arterial Road Modernization Program.-

(1) The Legislature finds that increasing demands continue to be placed on rural arterial roads in this state by a fast-

3-00384A-25 2025110

growing economy, continued population growth, and increased tourism. Investment in the rural arterial roads of this state is needed to maintain the safety, mobility, reliability, and resiliency of the transportation system in order to support the movement of people, goods, and commodities; to enhance economic prosperity and competitiveness; and to enrich the quality of life of the rural communities and the environment of this state.

- (2) The Florida Arterial Road Modernization Program is created within the department to make capacity and safety improvements to two-lane arterial roads located in rural communities. For purposes of this section, the term "rural community" has the same meaning as provided in s. 288.0656.
- (3) Beginning in the 2025-2026 fiscal year, the department shall allocate from the State Transportation Trust Fund a minimum of \$50 million in each fiscal year for purposes of funding the program. This funding is in addition to any other funding provided to the program by any other law.
- (4) The department shall use the following criteria to prioritize projects for funding under the program:
- (a) Whether the road has documented safety concerns or requires additional safety and design improvements. This may be evidenced by the number of fatalities or crashes per vehicle mile traveled.
- (b) Whether the road has or is projected to have a significant amount of truck tractor traffic as determined by the department. For purposes of this paragraph, the term "truck tractor" has the same meaning as in s. 320.01(11).
- (c) Whether the road is used to transport agricultural products and commodities from the farm to the market or other

3-00384A-25 2025110

sale or distribution point.

- (d) Whether the road is used to transport goods to or from warehouses, distribution centers, or intermodal logistics centers as defined in s. 311.101(2).
 - (e) Whether the road is used as an evacuation route.
- (f) Whether the physical condition of the road meets department standards.
- (g) Whether the road currently has, or is projected to have within the next 5 years, a level of service of D, E, or F.
- (h) Any other criteria related to the impact of a project on the public road system or on the state or local economy as determined by the department.
- (5) By January 1, 2027, and every 2 years thereafter, the department shall submit to the Governor, the President of the Senate, and the Speaker of the House of Representatives a report regarding the use and condition of arterial roads located in rural communities, which report must include the following:
- (a) A map of roads located in rural communities which are designated as arterial roads.
- (b) A needs assessment that must include, but is not limited to, consideration of infrastructure improvements to improve capacity on arterial roads in rural communities.
- (c) A synopsis of the department's project prioritization process.
- (d) An estimate of the local and state economic impact of improving capacity on arterial roads in rural communities.
- (e) A listing of the arterial roads and the associated improvements to be included in the program and a schedule or timeline for the inclusion of such projects in the work program.

3-00384A-25 2025110

Section 30. (1) The Department of Transportation shall allocate the additional funds provided by this act to implement the Small County Road Assistance Program as created by s.

339.2816 and amend the current tentative work program for the 2025-2026 through 2031-2032 fiscal years to include additional projects. In addition, before adoption of the work program, the department shall submit a budget amendment pursuant to s.

339.135(7), Florida Statutes, requesting budget authority necessary to implement the additional projects.

- implement the Florida Arterial Road Modernization Program,
 develop a plan to expend the revenues as specified in s. 339.68,
 Florida Statutes, and, before its adoption, amend the current
 tentative work program for the 2025-2026 through 2031-2032
 fiscal years to include the program's projects. In addition,
 before adoption of the work program, the department shall submit
 a budget amendment pursuant to s. 339.135(7), Florida Statutes,
 requesting budget authority necessary to implement the program
 as specified in s. 339.68, Florida Statutes.
- (3) Notwithstanding any other law, the increase in revenue to the State Transportation Trust Fund derived from the amendments to ss. 201.15 and 319.32, Florida Statutes, made by this act and deposited into the trust fund pursuant to ss. 201.15 and 339.0801, Florida Statutes, shall be used by the department to fund the programs as specified in this section.

Section 31. Section 381.403, Florida Statutes, is created to read:

381.403 Rural Access to Primary and Preventive Care Grant Program.—The Legislature recognizes that access to primary and

3-00384A-25 2025110

preventive health care is critical for the well-being of the residents of this state. The Legislature also recognizes that many rural areas of this state have significantly fewer available physicians and autonomous advanced practice registered nurses who serve those areas. To increase the availability of health care in such underserved rural areas, there is created the Rural Access to Primary and Preventive Care Grant Program within the Department of Health to use grants to incentivize physicians and autonomous advanced practice registered nurses to open or expand practices in those areas.

- (1) As used in this section, the term:
- (a) "Autonomous advanced practice registered nurse" means an advanced practice registered nurse who is registered under s. 464.0123 to engage in autonomous practice.
- (b) "Majority ownership" means ownership of more than 50 percent of the interests in a private practice.
- (c) "Physician" means a physician licensed under chapter 458 or chapter 459.
- (d) "Preventive care" means routine health care services designed to prevent illness. The term includes, but is not limited to, general physical examinations provided on an annual basis, screenings for acute or chronic illnesses, and patient counseling to promote overall wellness and avoid the need for emergency services.
- (e) "Primary care" means health care services focused primarily on preventive care, wellness care, and treatment for common illnesses. The term may include the health care provider serving as a patient's entry point into the overall health care system and coordinating a patient's care among specialists or

3-00384A-25 2025110

acute care settings. The term does not include elective services provided solely for cosmetic purposes.

- (f) "Program" means the Rural Access to Primary and Preventive Care Grant Program.
- (g) "Qualifying rural area" means a rural community as defined in s. 288.0657 in this state which is also designated as a health professional shortage area by the Health Resources and Services Administration of the United States Department of Health and Human Services.
- (2) The department shall award grants under the program to physicians and autonomous advanced practice registered nurses who intend to open a new private practice in a qualifying rural area or who intend to open a new location within a qualifying rural area if the current private practice is located in a different county. To qualify for a grant, an applicant must meet all of the following criteria:
 - (a) The practice must:
- 1. Have majority ownership by physicians or autonomous advanced practice registered nurses. Majority ownership may include up to five physicians or autonomous advanced practice registered nurses in partnership.
- 2. Be physically located in a qualifying rural area and serve at that location patients who live in that qualifying rural area or in other nearby qualifying rural areas. While the practice may use telehealth to supplement the services provided at the location, the majority of services provided by the practice must be provided at the physical location.
 - 3. Accept Medicaid patients.
 - 4. Provide services in one or more of the following

3-00384A-25 2025110

specialties:

- a. If the practice has majority ownership by one or more autonomous advanced practice registered nurses, provide services solely in primary or preventive care.
- b. If the practice has majority ownership by one or more physicians, provide services in primary care, obstetrics, gynecology, general and family practice, geriatrics, internal medicine, pediatrics, or psychiatry.
- (b) The owners of the practice must commit to providing the following information to the department on an annual basis, and upon request by the department:
 - 1. Deidentified patient encounter data.
- 2. A detailed report on the use of grant funds until such funds are expended.
- application process for eligible physicians and autonomous advanced practice registered nurses to apply for grants under the program. The application must require a detailed budget of anticipated use of grant funds and how the new or existing practice will meet the requirements of subsection (2). The department shall establish a ranking system to determine which applicants will be awarded grants if there are more applicants for the program than can be awarded grants with available appropriated funds.
- (4) Subject to specific appropriation, the department may award grants of up to \$250,000 to eligible applicants. Only one grant may be awarded per practice. Grant funds awarded for establishing a new private practice or a new practice location may be used for any of the following expenses:

3-00384A-25 2025110 2234 (a) Facility construction, acquisition, renovation, or 2235 lease. 2236 (b) Purchasing medical equipment. 2237 (c) Purchasing or implementing information technology 2238 equipment or services. 2239 (d) Purchasing or implementing telehealth technology. 2240 (e) Training on the use of medical equipment, information 2241 technology, or telehealth technology implemented under paragraph 2242 (b), paragraph (c), or paragraph (d), respectively. 2243 (5) Grant funds may not be used for any of the following: 2244 (a) Salaries. 2245 (b) Utilities. 2246 (c) Internet or telecommunications services other than 2247 those necessary for implementing telehealth technology under 2248 paragraph (4)(d). 2249 (d) Insurance. 2250 (e) Incidental maintenance and repairs. 2251 (f) Disposable medical supplies. 2252 (q) Medicines or vaccines. 2253 (h) Licensing or certification fees, including costs for 2254 continuing education other than training under paragraph (4)(e). 2255 (6) The department shall enter into a contract with each 2256 grant recipient which details the requirements for the 2257 expenditure of grant funds for that recipient. The contract must 2258 include, at a minimum, all of the following: 2259 (a) The purpose of the contract. 2260 (b) Specific performance standards and responsibilities for the recipient under the contract, including penalties for not 2261

meeting such performance standards and responsibilities.

3-00384A-25 2025110

- (c) A detailed project or contract budget, if applicable.
- (d) Reporting requirements for grant recipients to provide information to the department under paragraph (2)(b) as well as any additional information the department deems necessary for the administration of the program.
- (7) The department may adopt rules to implement the program.
- (8) Beginning July 1, 2026, and each year thereafter in which there are outstanding contracts with grant recipients under subsection (6), the department shall provide a report to the Governor, the President of the Senate, and the Speaker of the House of Representatives which includes, but need not be limited to, all of the following:
- (a) Each grant awarded, including the proposed uses for each grant.
 - (b) The progress on each outstanding contract.
- (c) The number of patients residing in rural areas who were served by grant awardees.
- (d) The number of Medicaid recipients who were served by grant awardees.
- (e) The number and types of services provided during patient encounters in locations opened under the program.
- (f) The number of health care practitioners, delineated by licensure type, providing services in locations opened under the program.
- (9) This section is repealed July 1, 2035, unless reviewed and saved from repeal through reenactment by the Legislature.
- Section 32. Section 381.9856, Florida Statutes, is created to read:

3-00384A-25 2025110

381.9856 Stroke, Cardiac, and Obstetric Response and Education Grant Program.—

- (1) PROGRAM CREATION.—The Stroke, Cardiac, and Obstetric Response and Education (SCORE) Grant Program is created within the Department of Health.
- (2) PURPOSE.—The purpose of the program is to improve patient outcomes and the coordination of emergency medical care in rural communities by increasing access to high-quality stroke, cardiac, and obstetric care through the application of technology and innovative training, such as blended learning training programs. Blended learning training programs ensure that participants gain both the theoretical foundations of diagnosis and management as well as real-world clinical experience through scenario-based learning, ultimately enhancing decisionmaking and patient outcomes.
 - (3) DEFINITIONS.—As used in this section, the term:
- (a) "Blended learning training program" means a structured educational model that uses blended learning methodologies, including simulation-based training, virtual reality, and distance learning technologies, in conjunction with hands-on instruction, such as simulation-based practice, and in-person skills sessions to provide comprehensive education.
- (b) "High-risk care provider" means a licensed health care facility or licensed ambulance service that regularly provides emergency or ongoing care to patients experiencing a stroke, heart attack, or pregnancy-related emergency.
- (c) "Rural community" has the same meaning as provided in s. 288.0657.
 - (4) GRANT PROGRAM REQUIREMENTS. -

2325

2326

2327

23282329

2330

2331

2332

23332334

2335

2336

2337

2338

2339

2340

2341

2342

2343

2344

2345

2346

2347

23482349

3-00384A-25 2025110__

2321 (a) The department shall award grants to high-risk care
2322 providers serving rural communities to accomplish at least one
2323 of the following initiatives:

- 1. Implement a blended learning training program for health care providers in stroke care protocols and best practices.
- 2. Purchase simulation equipment and technology for training.
- 3. Establish telehealth capabilities between prehospital providers, such as paramedics or emergency medical technicians, and in-hospital providers, such as neurologists, to expedite emergency stroke care, emergency cardiac care, or emergency obstetric care.
- 4. Develop quality improvement programs in one or more of the following specialty areas: emergency stroke care, emergency cardiac care, or emergency obstetric care.
 - (b) Priority must be given to proposals that:
- 1. Demonstrate collaboration between prehospital and inhospital providers; or
- 2. Show potential for significant improvement in patient outcomes in rural communities.
 - (5) FUNDING LIMITS; REPORTING.—
 - (a) Individual grants may not exceed \$100,000 per year.
- (b) Grant recipients must submit quarterly reports to the department documenting program activities, expenditures, and outcomes.
- (6) ADMINISTRATION.—The department shall monitor program implementation and outcomes. The department shall submit an annual report to the Governor, the President of the Senate, and the Speaker of the House of Representatives by December 1 of

3-00384A-25 2025110

each year, detailing program implementation and outcomes.

- (7) RULEMAKING.—The department may adopt rules to implement this section.
- (8) IMPLEMENTATION.—This section may be implemented only to the extent specifically funded by legislative appropriation.
- (9) REPEAL.—This section is repealed July 1, 2030, unless reviewed and saved from repeal through reenactment by the Legislature.

Section 33. Subsection (2) of section 395.6061, Florida Statutes, is amended to read:

395.6061 Rural hospital capital improvement.—There is established a rural hospital capital improvement grant program.

- (2) (a) Each rural hospital as defined in s. 395.602 shall receive a minimum of \$100,000 annually, subject to legislative appropriation, upon application to the Department of Health, for projects to acquire, repair, improve, or upgrade systems, facilities, or equipment. Such projects may include, but are not limited to, the following:
- 1. Establishing mobile care units to provide primary care services, behavioral health services, or obstetric and gynecological services in rural health professional shortage areas.
- 2. Establishing telehealth kiosks to provide urgent care and primary care services remotely in rural health professional shortage areas.
 - (b) As used in this subsection, the term:
- 2376 <u>1. "Preventive care" means routine health care services</u>
 2377 <u>designed to prevent illness. The term includes, but is not</u>
 2378 limited to, general physical examinations provided on an annual

3-00384A-25 2025110

basis, screenings for acute or chronic illnesses, and patient counseling to promote overall wellness and avoid the need for emergency services.

- 2. "Primary care" means health care services focused primarily on preventive care, wellness care, and treatment for common illnesses. The term may include the health care provider serving as a patient's entry point into the overall health care system and coordinating a patient's care among specialists or acute care settings. The term does not include elective services provided solely for cosmetic purposes.
- 3. "Rural health professional shortage area" means a rural community as defined in s. 288.0657 which is also designated as a health professional shortage area by the Health Resources and Services Administration of the United States Department of Health and Human Services.

Section 34. Subsection (3) of section 420.9073, Florida Statutes, is amended to read:

420.9073 Local housing distributions.-

- (3) Calculation of guaranteed amounts:
- (a) The guaranteed amount under subsection (1) shall be calculated for each state fiscal year by multiplying \$1 million \$350,000 by a fraction, the numerator of which is the amount of funds distributed to the Local Government Housing Trust Fund pursuant to s. 201.15(4)(c) and the denominator of which is the total amount of funds distributed to the Local Government Housing Trust Fund pursuant to s. 201.15.
- (b) The guaranteed amount under subsection (2) shall be calculated for each state fiscal year by multiplying $\frac{1}{350,000}$ by a fraction, the numerator of which is the amount of

3-00384A-25 2025110

funds distributed to the Local Government Housing Trust Fund pursuant to s. 201.15(4)(d) and the denominator of which is the total amount of funds distributed to the Local Government Housing Trust Fund pursuant to s. 201.15.

Section 35. Paragraph (n) of subsection (5) of section 420.9075, Florida Statutes, is amended, paragraph (o) is added to that subsection, and paragraph (b) of subsection (13) of that section is reenacted, to read:

420.9075 Local housing assistance plans; partnerships.-

- (5) The following criteria apply to awards made to eligible sponsors or eligible persons for the purpose of providing eligible housing:
- (n) Funds from the local housing distribution not used to meet the criteria established in paragraph (a), or paragraph (c), or paragraph (o), or not used for the administration of a local housing assistance plan must be used for housing production and finance activities, including, but not limited to, financing preconstruction activities or the purchase of existing units, providing rental housing, and providing home ownership training to prospective home buyers and owners of homes assisted through the local housing assistance plan.
- 1. Notwithstanding the provisions of paragraphs (a) and (c), program income as defined in s. 420.9071(26) may also be used to fund activities described in this paragraph.
- 2. When preconstruction due-diligence activities conducted as part of a preservation strategy show that preservation of the units is not feasible and will not result in the production of an eligible unit, such costs shall be deemed a program expense rather than an administrative expense if such program expenses

3-00384A-25 2025110

do not exceed 3 percent of the annual local housing distribution.

- 3. If both an award under the local housing assistance plan and federal low-income housing tax credits are used to assist a project and there is a conflict between the criteria prescribed in this subsection and the requirements of s. 42 of the Internal Revenue Code of 1986, as amended, the county or eligible municipality may resolve the conflict by giving precedence to the requirements of s. 42 of the Internal Revenue Code of 1986, as amended, in lieu of following the criteria prescribed in this subsection with the exception of paragraphs (a) and (g) of this subsection.
- 4. Each county and each eligible municipality may award funds as a grant for construction, rehabilitation, or repair as part of disaster recovery or emergency repairs or to remedy accessibility or health and safety deficiencies. Any other grants must be approved as part of the local housing assistance plan.
- (o) Notwithstanding paragraphs (a) and (c), up to 25 percent of the funds made available in each county and eligible municipality from the local housing distribution may be used to preserve multifamily affordable rental housing funded through United States Department of Agriculture loans. These funds may be used to rehabilitate housing, extend affordability periods, or acquire or transfer properties in partnership with private organizations. This paragraph expires on June 30, 2031.

(13)

(b) If, as a result of its review of the annual report, the corporation determines that a county or eligible municipality

3-00384A-25 2025110

has failed to implement a local housing incentive strategy, or, if applicable, a local housing incentive plan, it shall send a notice of termination of the local government's share of the local housing distribution by certified mail to the affected county or eligible municipality.

- 1. The notice must specify a date of termination of the funding if the affected county or eligible municipality does not implement the plan or strategy and provide for a local response. A county or eligible municipality shall respond to the corporation within 30 days after receipt of the notice of termination.
- 2. The corporation shall consider the local response that extenuating circumstances precluded implementation and grant an extension to the timeframe for implementation. Such an extension shall be made in the form of an extension agreement that provides a timeframe for implementation. The chief elected official of a county or eligible municipality or his or her designee shall have the authority to enter into the agreement on behalf of the local government.
- 3. If the county or the eligible municipality has not implemented the incentive strategy or entered into an extension agreement by the termination date specified in the notice, the local housing distribution share terminates, and any uncommitted local housing distribution funds held by the affected county or eligible municipality in its local housing assistance trust fund shall be transferred to the Local Government Housing Trust Fund to the credit of the corporation to administer.
- 4.a. If the affected local government fails to meet the timeframes specified in the agreement, the corporation shall

3-00384A-25 2025110

terminate funds. The corporation shall send a notice of termination of the local government's share of the local housing distribution by certified mail to the affected local government. The notice shall specify the termination date, and any uncommitted funds held by the affected local government shall be transferred to the Local Government Housing Trust Fund to the credit of the corporation to administer.

- b. If the corporation terminates funds to a county, but an eligible municipality receiving a local housing distribution pursuant to an interlocal agreement maintains compliance with program requirements, the corporation shall thereafter distribute directly to the participating eligible municipality its share calculated in the manner provided in ss. 420.9072 and 420.9073.
- c. Any county or eligible municipality whose local distribution share has been terminated may subsequently elect to receive directly its local distribution share by adopting the ordinance, resolution, and local housing assistance plan in the manner and according to the procedures provided in ss. 420.907-420.9079.

Section 36. Subsections (1), (2), and (5) of section 1001.451, Florida Statutes, are amended, and subsection (6) is added to that section, to read:

1001.451 Regional consortium service organizations.—In order to provide a full range of programs to larger numbers of students, minimize duplication of services, and encourage the development of new programs and services:

(1) School districts with 20,000 or fewer unweighted full-time equivalent students, developmental research (laboratory)

3-00384A-25 2025110

schools established pursuant to s. 1002.32, and the Florida School for the Deaf and the Blind may enter into cooperative agreements to form a regional consortium service organization. Each regional consortium service organization shall provide any of, at a minimum, three of the following services determined necessary and appropriate by the board of directors:

- (a) Exceptional student education;
- (b) Safe schools support teacher education centers;
 environmental education;
 - (c) State and federal grant procurement and coordination;
 - (d) Data services processing; health
 - (e) Insurance services;
 - (f) Risk management insurance;
 - (g) Professional learning;
 - (h) College, career, and workforce development;
 - (i) Business and operational services staff development;
 - (j) Purchasing; or
- (k) Planning and accountability.
 - (2) (a) Each regional consortium service organization that consists of four or more school districts is eligible to receive, through the Department of Education, subject to the funds provided in the General Appropriations Act, an allocation incentive grant of \$150,000 \$50,000 per school district and eligible member to be used for the delivery of services within the participating school districts. The determination of services and use of such funds must shall be established by the board of directors of the regional consortium service organization. The funds must shall be distributed to each regional consortium service organization no later than 30 days

3-00384A-25 2025110

following the release of the funds to the department. Each regional consortium service organization shall submit an annual report to the department regarding the use of funds for consortia services. Unexpended amounts in any fund in a consortium's current year operating budget must be carried forward and included as the balance forward for that fund in the approved operating budget for the following year. Each regional consortium service organization shall provide quarterly financial reports to member districts.

- (b) Member districts shall designate a district that will serve as a fiscal agent for contractual and reporting purposes. Such fiscal agent district is entitled to reasonable compensation for accounting and other services performed. The regional consortium service organization shall retain all funds received from grants or contracted services to cover indirect or administrative costs associated with the provision of such services. The regional consortium service organization board of directors shall determine the products and services to be provided by the consortium; however, in all contractual matters, the school board of the fiscal agent district shall act on proposed actions of the regional consortium service organization.
- (c) The regional consortium service organization board of directors shall recommend establishment of positions and individuals for appointment to the fiscal agent district.

 Personnel must be employed under the personnel policies of the fiscal agent district and are deemed to be public employees of the fiscal agent district. The regional consortium service organization board of directors may recommend a salary schedule

25832584

2585

2586

2587

2588

2589

2590

2591

2592

2593

2594

2595

2596

2597

2598

2599

2600

2601

2602

2603

2604

2605

2606

2607

2608

2609

2610

3-00384A-25 2025110

and job descriptions specific to its personnel.

(d) The regional consortium service organization may purchase or lease property and facilities essential for its operations and is responsible for their maintenance and associated overhead costs.

- (e) If a regional consortium service organization is dissolved, any revenue from the sale of assets must be distributed among the member districts as determined by the board of directors Application for incentive grants shall be made to the Commissioner of Education by July 30 of each year for distribution to qualifying regional consortium service organizations by January 1 of the fiscal year.
- (5) The board of directors of a regional consortium service organization may use various means to generate revenue in support of its activities, including, but not limited to, contracting for services to nonmember districts. The board of directors may acquire, enjoy, use, and dispose of patents, copyrights, and trademarks and any licenses and associated other rights or interests thereunder or therein. Ownership of all such patents, copyrights, trademarks, licenses, and associated rights or interests thereunder or therein shall vest in the state, with the board of directors having full right of use and full right to retain associated the revenues derived therefrom. Any funds realized from contracted services, patents, copyrights, trademarks, or licenses are shall be considered internal funds as provided in s. 1011.07. A fund balance must be established for maintaining or expanding services, facilities maintenance, terminal pay, and other liabilities Such funds shall be used to support the organization's marketing and research and

3-00384A-25 2025110

2611 development activities in order to improve and increase services
2612 to its member districts.

- (6) A regional consortium service organization is authorized to administer the Regional Consortia Service

 Organization Supplemental Services Program under s. 1001.4511.

 Section 37 Section 1001 4511 Florida Statutes is created
- Section 37. Section 1001.4511, Florida Statutes, is created to read:
 - 1001.4511 Regional Consortia Service Organization Supplemental Services Program.—
 - Organization Supplemental Services Program to increase the ability of regional consortium service organizations under s.

 1001.451 to provide programs and services to consortia members through cooperative agreements. Program funds may be used to supplement member needs related to transportation; district finance personnel services; property insurance; cybersecurity support; school safety; college, career, and workforce development; academic support; and behavior support within exceptional student education services.
 - (2) Each regional consortium service organization shall annually report to the President of the Senate and the Speaker of the House of Representatives the distribution of funds, including members awarded and services provided.
 - (3) Notwithstanding s. 216.301 and pursuant to s. 216.351, funds allocated for this purpose which are not disbursed by June 30 of the fiscal year in which the funds are allocated may be carried forward for up to 5 years after the effective date of the original appropriation.
 - Section 38. Section 1009.635, Florida Statutes, is created

3-00384A-25 2025110

2640 to read:

1009.635 Rural Incentive for Professional Educators.-

- (1) ESTABLISHMENT.—The Rural Incentive for Professional Educators (RIPE) Program is established within the Department of Education to support the recruitment and retention of qualified instructional personnel in rural communities. The program shall provide financial assistance for the repayment of student loans for eligible participants who establish permanent residency and employment in rural areas of opportunity.
- (2) ELIGIBILITY.—An individual is eligible to participate in the RIPE Program if he or she does all of the following:
- (a) Establishes permanent residency on or after July 1, 2025, in a rural area of opportunity as designated pursuant to s. 288.0656. The address on an individual's state-issued identification card or driver license is evidence of residence.
- (b) Secures full-time employment as a teacher or administrator in a private school as defined in s. 1002.01, or as instructional or administrative personnel as those terms are defined in s. 1012.01(2) and (3), respectively, in the public school district located within the same rural area of opportunity as he or she resides.
- (c) Holds an associate degree, bachelor's degree, postgraduate degree, or certificate from an accredited institution earned before establishing residency.
- (d) Has an active student loan balance incurred for the completion of the qualifying degree or certificate.
- (3) LOAN REPAYMENT.—Eligible participants may receive up to \$15,000 in total student loan repayment assistance over 5 years, disbursed in annual payments not to exceed \$3,000 per year.

3-00384A-25 2025110

2669 Payments shall be made directly to the lender servicing the 2670 participant's student loan.

- (4) AWARD DISTRIBUTION.—Before disbursement of an award, the department shall verify that the participant:
- (a) Has maintained continuous employment with the school district in an instructional or administrative position;
- (b) Has received a rating of effective or highly effective pursuant to s. 1012.34; and
- (c) Has not been placed on probation, had his or her certificate suspended or revoked, or been placed on the disqualification list, pursuant to s. 1012.796.
- (5) ADMINISTRATION.—The program shall be administered by the Office of Student Financial Assistance within the Department of Education, which shall:
- (a) Develop application procedures requiring documentation, including proof of residency, verification of employment, official academic transcripts, and details of outstanding student loans.
 - (b) Monitor compliance with program requirements.
- (6) RULEMAKING.—The State Board of Education shall adopt rules no later than January 31, 2026, to administer this section.
- Section 39. Subsection (3) of section 1013.62, Florida Statutes, is amended to read:
 - 1013.62 Charter schools capital outlay funding.-
- (3) If the school board levies the discretionary millage authorized in s. 1011.71(2), the department <u>must shall</u> use the following calculation methodology to determine the amount of revenue that a school district must distribute to each eligible

3-00384A-25 2025110

2698 charter school:

(a) Reduce the total discretionary millage revenue by the school district's annual debt service obligation incurred as of March 1, 2017, which has not been subsequently retired, and:

- 1. Beginning in the 2025-2026 fiscal year, for any district with an active project or an outstanding participation requirement balance, any amount of participation requirement pursuant to s. 1013.64(2)(a)8. that is being satisfied by revenues raised by the discretionary millage; or
- 2. For construction projects for which Special Facilities
 Construction Account funding is sought beginning in the 20252026 fiscal year, the value of 1 mill from the revenue generated
 pursuant to s. 1013.64(2)(a)8.b.
- (b) Divide the school district's adjusted discretionary millage revenue by the district's total capital outlay full-time equivalent membership and the total number of full-time equivalent students of each eligible charter school to determine a capital outlay allocation per full-time equivalent student.
- (c) Multiply the capital outlay allocation per full-time equivalent student by the total number of full-time equivalent students of each eligible charter school to determine the capital outlay allocation for each charter school.
- (d) If applicable, reduce the capital outlay allocation identified in paragraph (c) by the total amount of state funds allocated to each eligible charter school in subsection (2) to determine the maximum calculated capital outlay allocation. The amount of funds a school district must distribute to charter schools shall be as follows:
 - 1. For fiscal year 2023-2024, the amount is 20 percent of

3-00384A-25 2025110

the amount calculated under this paragraph.

2. For fiscal year 2024-2025, the amount is 40 percent of the amount calculated under this paragraph.

- 3. For fiscal year 2025-2026, the amount is 60 percent of the amount calculated under this paragraph.
- 4. For fiscal year 2026-2027, the amount is 80 percent of the amount calculated under this paragraph.
- 5. For fiscal year 2027-2028, and each fiscal year thereafter, the amount is 100 percent of the amount calculated under this paragraph.
- (e) School districts shall distribute capital outlay funds to eligible charter schools no later than February 1 of each year, as required by this subsection, based on the amount of funds received by the district school board. School districts shall distribute any remaining capital outlay funds, as required by this subsection, upon the receipt of such funds until the total amount calculated pursuant to this subsection is distributed.

By October 1 of each year, each school district shall certify to the department the amount of debt service that and participation requirement that complies with the requirement of paragraph (a) and can be reduced from the total discretionary millage revenue. Each school district shall also certify the amount of the participation requirement that complies with paragraph (a), or certify the value of 1 mill from revenue generated pursuant to

2753 s. 1013.64(2)(a)8.b. that can be reduced from the total

discretionary millage revenue, as applicable. The Auditor

General shall verify compliance with the requirements of

2757

2758

2759

2760

2761

2762

2763

2764

2765

2766

2767

2768

2769

2770

2771

2.772

2773

2774

2775

2776

2777

2778

2779

2780

2781

2782

2783

2784

3-00384A-25 2025110

paragraph (a) and s. 1011.71(2)(e) during scheduled operational audits of school districts.

Section 40. Paragraph (a) of subsection (2) of section 1013.64, Florida Statutes, is amended to read:

1013.64 Funds for comprehensive educational plant needs; construction cost maximums for school district capital projects.—Allocations from the Public Education Capital Outlay and Debt Service Trust Fund to the various boards for capital outlay projects shall be determined as follows:

(2)(a) The department shall establish, as a part of the Public Education Capital Outlay and Debt Service Trust Fund, a separate account, in an amount determined by the Legislature, to be known as the "Special Facility Construction Account." The Special Facility Construction Account shall be used to provide necessary construction funds to school districts which have urgent construction needs but which lack sufficient resources at present, and cannot reasonably anticipate sufficient resources within the period of the next 3 years, for these purposes from currently authorized sources of capital outlay revenue. A school district requesting funding from the Special Facility Construction Account shall submit one specific construction project, not to exceed one complete educational plant, to the Special Facility Construction Committee. A district may not receive funding for more than one approved project in any 3-year period or while any portion of the district's participation requirement is outstanding. The first year of the 3-year period shall be the first year a district receives an appropriation. The department shall encourage a construction program that reduces the average size of schools in the district. The request

2786

2787

2788

2789

2790

2791

2792

2793

2794

2795

2796

2797

2798

2799

2800

2801

2802

2803

2804

2805

2806

2807

2808

2809

2810

2811

2812

2813

3-00384A-25 2025110

must meet the following criteria to be considered by the committee:

1. The project must be deemed a critical need and must be recommended for funding by the Special Facility Construction Committee. Before developing construction plans for the proposed facility, the district school board must request a preapplication review by the Special Facility Construction Committee or a project review subcommittee convened by the chair of the committee to include two representatives of the department and two staff members from school districts not eligible to participate in the program. A school district may request a preapplication review at any time; however, if the district school board seeks inclusion in the department's next annual capital outlay legislative budget request, the preapplication review request must be made before February 1. Within 90 days after receiving the preapplication review request, the committee or subcommittee must meet in the school district to review the project proposal and existing facilities. To determine whether the proposed project is a critical need, the committee or subcommittee shall consider, at a minimum, the capacity of all existing facilities within the district as determined by the Florida Inventory of School Houses; the district's pattern of student growth; the district's existing and projected capital outlay full-time equivalent student enrollment as determined by the demographic, revenue, and education estimating conferences established in s. 216.136; the district's existing satisfactory student stations; the use of all existing district property and facilities; grade level configurations; and any other information that may affect the

3-00384A-25 2025110

2814 need for the proposed project.

- 2. The construction project must be recommended in the most recent survey or survey amendment cooperatively prepared by the district and the department, and approved by the department under the rules of the State Board of Education. If a district employs a consultant in the preparation of a survey or survey amendment, the consultant may not be employed by or receive compensation from a third party that designs or constructs a project recommended by the survey.
- 3. The construction project must appear on the district's approved project priority list under the rules of the State Board of Education.
- 4. The district must have selected and had approved a site for the construction project in compliance with s. 1013.36 and the rules of the State Board of Education.
- 5. The district shall have developed a district school board adopted list of facilities that do not exceed the norm for net square feet occupancy requirements under the State Requirements for Educational Facilities, using all possible programmatic combinations for multiple use of space to obtain maximum daily use of all spaces within the facility under consideration.
- 6. Upon construction, the total cost per student station, including change orders, must not exceed the cost per student station as provided in subsection (6) unless approved by the Special Facility Construction Committee. At the discretion of the committee, costs that exceed the cost per student station for special facilities may include legal and administrative fees, the cost of site improvements or related offsite

3-00384A-25 2025110

improvements, the cost of complying with public shelter and hurricane hardening requirements, cost overruns created by a disaster as defined in s. 252.34(2), costs of security enhancements approved by the school safety specialist, and unforeseeable circumstances beyond the district's control.

- 7. There shall be an agreement signed by the district school board stating that it will advertise for bids within 30 days of receipt of its encumbrance authorization from the department.
- 8.<u>a.(I)</u> For construction projects for which Special Facilities Construction Account funding is sought before the 2019-2020 fiscal year, the district shall, at the time of the request and for a continuing period necessary to meet the district's participation requirement, levy the maximum millage against its nonexempt assessed property value as allowed in s. 1011.71(2) or shall raise an equivalent amount of revenue from the school capital outlay surtax authorized under s. 212.055(6).
- (II) Beginning with construction projects for which Special Facilities Construction Account funding is sought in the 2019-2020 fiscal year, the district shall, for a minimum of 3 years before submitting the request and for a continuing period necessary to meet its participation requirement, levy the maximum millage against the district's nonexempt assessed property value as authorized under s. 1011.71(2) or shall raise an equivalent amount of revenue from the school capital outlay surtax authorized under s. 212.055(6).
- (III) Beginning with the 2025-2026 fiscal year, any district with an a new or active project or an outstanding participation requirement balance, funded under the provisions

3-00384A-25 2025110

of this subsection, shall be required to budget no more than the value of 1 mill per year to the project until the district's participation requirement relating to the local discretionary capital improvement millage or the equivalent amount of revenue from the school capital outlay surtax is satisfied.

- b. For construction projects for which Special Facilities
 Construction Account funding is sought beginning in the 20252026 fiscal year, the district shall, for a minimum of 3 years
 before submitting the request and for the initial year of the
 appropriation and the two years following the initial
 appropriation, levy the maximum millage against the district's
 nonexempt assessed property value as authorized under s.

 1011.71(2) or shall raise an equivalent amount of revenue from
 the school capital outlay surtax authorized under s. 212.055(6).
 The district is not required to budget the funds toward the
 project, but must use the funds as authorized pursuant to s.

 1011.71 or s. 212.055(6), as applicable.
- 9. If a contract has not been signed 90 days after the advertising of bids, the funding for the specific project <u>must shall</u> revert to the Special Facility New Construction Account to be reallocated to other projects on the list. However, an additional 90 days may be granted by the commissioner.
- 10. The department shall certify the inability of the district to fund the survey-recommended project over a continuous 3-year period using projected capital outlay revenue derived from s. 9(d), Art. XII of the State Constitution, as amended, paragraph (3)(a) of this section, and s. 1011.71(2).
- 11.<u>a.</u> For projects funded before the 2025-2026 fiscal year, the district shall have on file with the department an adopted

3-00384A-25 2025110

resolution acknowledging its commitment to satisfy its participation requirement, which is equivalent to all unencumbered and future revenue acquired from s. 9(d), Art. XII of the State Constitution, as amended, paragraph (3)(a) of this section, and s. 1011.71(2), in the year of the initial appropriation and for the 2 years immediately following the initial appropriation.

- b. For projects funded during the 2025-2026 fiscal year, and thereafter, the district shall have on file with the department an adopted resolution acknowledging its commitment to comply with the requirements of this paragraph.
- 12. Phase I plans must be approved by the district school board as being in compliance with the building and life safety codes before June 1 of the year the application is made.
- Section 41. For the 2025-2026 fiscal year, the sum of \$1 million in recurring funds from the General Revenue Fund is appropriated to the Florida Small Business Development Center Network under s. 288.001, Florida Statutes, to expand services in rural communities. The funds shall be allocated to the Office of Rural Prosperity budget entity within the Department of Commerce in the Special Categories-SBDCN Rural Services specific appropriation category.
- Section 42. (1) For the 2025-2026 fiscal year, the sums of \$1,827,591 in recurring funds and \$652,327 in nonrecurring funds are appropriated from the General Revenue Fund to the Department of Commerce.
- (2) The recurring general revenue funds shall be allocated to the Office of Rural Prosperity budget entity in the following specific appropriations categories: \$1,585,823 in Salaries and

3-00384A-25 2025110

Benefits, \$175,961 in Expenses, \$50,000 in Contracted Services, \$10,000 in Operating Capital Outlay, and \$5,807 in Transfer to the Department of Management Services/Statewide Human Resources Contract.

- (3) The nonrecurring general revenue funds shall be allocated to the Office of Rural Prosperity budget entity in the following specific appropriations categories: \$92,327 in Expenses and \$560,000 in Acquisition of Motor Vehicles.
- (4) The Department of Commerce is authorized to establish 17.00 full-time equivalent positions with associated salary rate of 1,060,000 in the Office of Rural Prosperity for the purpose of implementing this act. The following specific positions, classifications, and pay plans are authorized: 1.00 Director of General Operation, Class Code 9327, Pay Grade 940; 15.00 Government Analyst II, Class Code 2225, Pay Grade 026; and 1.00 Administrative Assistant II, Class Code 0712, Pay Grade 018.

Section 43. For the 2025-2026 fiscal year, the recurring sum of \$8 million from the General Revenue Fund is appropriated to the Office of Rural Prosperity within the Department of Commerce to implement the Renaissance Grants Program created by s. 288.014, Florida Statutes. No funds may be used by the state for administrative costs.

Section 44. For the 2025-2026 fiscal year, the recurring sum of \$500,000 from the Grants and Donations Trust Fund is appropriated to the Office of Rural Prosperity within the Department of Commerce to implement the Public Infrastructure Smart Technology Grant Program created by s. 288.0175, Florida Statutes.

Section 45. For the 2025-2026 fiscal year, the sums of \$4

3-00384A-25 2025110

million in nonrecurring funds and \$1 million in recurring funds from the General Revenue Fund are appropriated to the Office of Rural Prosperity within the Department of Commerce to implement the Rural Community Development Revolving Loan Fund under s. 288.065, Florida Statutes, as amended by this act.

Section 46. For the 2025-2026 fiscal year, the sums of \$40 million in nonrecurring funds and \$5 million in recurring funds from the General Revenue Fund are appropriated to the Office of Rural Prosperity within the Department of Commerce to implement the Rural Infrastructure Fund under s. 288.0655, Florida Statutes, as amended by this act.

Section 47. For the 2025-2026 fiscal year, the sum of \$250,000 in recurring funds from the Grants and Donations Trust Fund is appropriated to the Office of Rural Prosperity within the Department of Commerce to implement s. 288.0657, Florida Statutes, as amended by this act.

Section 48. For the 2025-2026 fiscal year, the sum of \$30 million in nonrecurring funds from the General Revenue Fund is appropriated to the Florida Housing Finance Corporation to be used to preserve affordable multifamily rental housing in rural communities funded through United States Department of Agriculture loans. The funds provided in this appropriation shall be used to issue competitive requests for application for the rehabilitation or acquisition of such properties to ensure continued affordability. By October 1, 2026, the Florida Housing Finance Corporation shall submit a report to the President of the Senate and the Speaker of the House of Representatives on projects funded pursuant to this section, which report must include the number of units preserved and the financing

3-00384A-25 2025110

portfolio for each project.

Section 49. For the 2025-2026 fiscal year, the sum of \$25 million in nonrecurring funds from the General Revenue Fund is appropriated to the Department of Health for the purpose of implementing the Rural Access to Primary and Preventive Care Grant Program created under s. 381.403, Florida Statutes. Grant funds shall be awarded over a 5-year period. Notwithstanding s. 216.301, Florida Statutes, and pursuant to s. 216.351, Florida Statutes, the unexpended balance of funds appropriated pursuant to this section which is not disbursed by June 30 of the fiscal year in which funds are appropriated may be carried forward through the 2033-2034 fiscal year.

Section 50. For the 2025-2026 fiscal year, the sum of \$5 million in nonrecurring funds from the General Revenue Fund is appropriated to the Department of Health for the purpose of implementing the Stroke, Cardiac, and Obstetric Response and Education Grant Program under s. 381.9856, Florida Statutes.

Notwithstanding s. 216.301, Florida Statutes, and pursuant to s. 216.351, Florida Statutes, the unexpended balance of funds appropriated pursuant to this section which is not disbursed by June 30 of the fiscal year in which funds are appropriated may be carried forward through the 2029-2030 fiscal year.

Section 51. For the 2025-2026 fiscal year, the sum of \$25 million in nonrecurring funds from the General Revenue Fund is appropriated in fixed capital outlay to the Department of Health for the purpose of implementing the rural hospital capital improvement grant program under s. 395.6061, Florida Statutes.

Section 52. For the 2025-2026 fiscal year, the sums of \$1,499,261 in recurring funds from the General Revenue Fund and

3-00384A-25 2025110

\$1,933,112 in recurring funds from the Medical Care Trust Fund are appropriated to the Agency for Health Care Administration to establish a Diagnosis-Related Grouping (DRG) reimbursement methodology for critical access hospitals, as defined in s.

408.07, Florida Statutes, for the purpose of providing inpatient reimbursement to such a hospital in amounts comparable to the reimbursement the hospital would receive for inpatient services from the federal Medicare program. The 2025-2026 fiscal year General Appropriations Act shall establish the DRG reimbursement methodology for critical access hospital inpatient services as directed in s. 409.905(5)(c), Florida Statutes.

Section 53. For the 2025-2026 fiscal year, the sums of \$4,840,182 in recurring funds from the General Revenue Fund and \$6,240,820 in recurring funds from the Medical Care Trust Fund are appropriated to the Agency for Health Care Administration to establish an Enhanced Ambulatory Patient Grouping (EAPG) reimbursement methodology for critical access hospitals, as defined in s. 408.07, Florida Statutes, for the purpose of providing outpatient reimbursement to such a hospital in amounts comparable to the reimbursement the hospital would receive for outpatient services from the federal Medicare program. The 2025-2026 fiscal year General Appropriations Act shall establish the EAPG reimbursement methodology for critical access hospital outpatient services as directed in s. 409.905(6)(b), Florida Statutes.

Section 54. For the 2025-2026 fiscal year, the sum of \$3.6 million in recurring funds from the General Revenue Fund is appropriated to the Department of Education to implement s. 1001.451, Florida Statutes, as amended by this act.

3-00384A-25 2025110

Section 55. For the 2025-2026 fiscal year, the sum of \$25 million in recurring funds is appropriated from the General Revenue Fund to the Department of Education to be distributed to regional consortium service organizations under s. 1001.451, Florida Statutes, in order to provide funds pursuant to s. 1001.4511, Florida Statutes. These funds shall be allocated as follows: \$5,555,149 to the Heartland Educational Consortium; \$11,912,923 to the North East Florida Educational Consortium; and \$7,531,928 to the Panhandle Area Educational Consortium. The funds must be distributed to each regional consortium service organization no later than 30 days following the release of the funds to the department.

Section 56. For the 2025-2026 fiscal year, the sum of \$7 million in recurring funds from the General Revenue Fund is appropriated to the Department of Education to implement the Rural Incentive for Professional Educators (RIPE) Program, s. 1009.635, Florida Statutes, as created by this act.

Section 57. Subsection (3) of section 163.3187, Florida Statutes, is amended to read:

163.3187 Process for adoption of small scale comprehensive plan amendment.—

(3) If the small scale development amendment involves a site within a rural area of opportunity as defined under \underline{s} . $\underline{288.0656}$ \underline{s} . $\underline{288.0656(2)(d)}$ for the duration of such designation, the acreage limit listed in subsection (1) shall be increased by 100 percent. The local government approving the small scale plan amendment shall certify to the state land planning agency that the plan amendment furthers the economic objectives set forth in the executive order issued under \underline{s} . $\underline{288.0656(7)}$, and the

3-00384A-25 2025110

property subject to the plan amendment shall undergo public review to ensure that all concurrency requirements and federal, state, and local environmental permit requirements are met.

Section 58. Section 212.205, Florida Statutes, is amended to read:

212.205 Sales tax distribution reporting.—By March 15 of each year, each person who received a distribution pursuant to $\underline{s.\ 212.20(6)(d)7.b.\ and\ c.}\ \underline{s.\ 212.20(6)(d)6.b.\ and\ c.}$ in the preceding calendar year shall report to the Office of Economic and Demographic Research the following information:

- (1) An itemized accounting of all expenditures of the funds distributed in the preceding calendar year, including amounts spent on debt service.
- (2) A statement indicating what portion of the distributed funds have been pledged for debt service.
- (3) The original principal amount and current debt service schedule of any bonds or other borrowing for which the distributed funds have been pledged for debt service.

Section 59. Section 257.191, Florida Statutes, is amended to read:

257.191 Construction grants.—The Division of Library and Information Services may accept and administer library construction moneys appropriated to it and shall allocate such appropriation to municipal, county, and regional libraries in the form of library construction grants on a matching basis. The local matching portion shall be no less than the grant amount, on a dollar-for-dollar basis, up to the maximum grant amount, unless the matching requirement is waived <u>pursuant to s. 288.019</u> by s. 288.06561. Initiation of a library construction project 12

3105

3106

3107

3108

31093110

3111

31123113

3114

3115

3116

3117

31183119

3120

3121

3122

3123

3124

31253126

3127

3128

3129 3130

31313132

3-00384A-25 2025110

months or less prior to the grant award under this section <u>does</u> shall not affect the eligibility of an applicant to receive a library construction grant. The division shall adopt rules for the administration of library construction grants. For the purposes of this section, s. 257.21 does not apply.

Section 60. Subsection (2) of section 257.193, Florida Statutes, is amended to read:

257.193 Community Libraries in Caring Program.-

(2) The purpose of the Community Libraries in Caring Program is to assist libraries in rural communities, as defined in s. 288.0656(2) and subject to the provisions of <u>s. 288.019 s. 288.06561</u>, to strengthen their collections and services, improve literacy in their communities, and improve the economic viability of their communities.

Section 61. Subsection (17) of section 265.283, Florida Statutes, is amended to read:

265.283 Definitions.—The following definitions shall apply to ss. 265.281-265.703:

(17) "Underserved arts community assistance program grants" means grants used by qualified organizations under the Rural Economic Development Initiative, pursuant to s. 288.0656 and subject to the provisions of s. 288.019 ss. 288.0656 and 288.06561, for the purpose of economic and organizational development for underserved cultural organizations.

Section 62. Paragraphs (a) and (d) of subsection (3) of section 288.11621, Florida Statutes, are amended to read:

288.11621 Spring training baseball franchises.-

- (3) USE OF FUNDS.-
- (a) A certified applicant may use funds provided under s.

3-00384A-25 2025110

212.20(6)(d)7.b. s. 212.20(6)(d)6.b. only to:

- 1. Serve the public purpose of acquiring, constructing, reconstructing, or renovating a facility for a spring training franchise.
- 2. Pay or pledge for the payment of debt service on, or to fund debt service reserve funds, arbitrage rebate obligations, or other amounts payable with respect thereto, bonds issued for the acquisition, construction, reconstruction, or renovation of such facility, or for the reimbursement of such costs or the refinancing of bonds issued for such purposes.
- 3. Assist in the relocation of a spring training franchise from one unit of local government to another only if the governing board of the current host local government by a majority vote agrees to relocation.
- (d)1. All certified applicants must place unexpended state funds received pursuant to $\underline{s.\ 212.20(6)(d)7.b.}$ $\underline{s.}$ $\underline{212.20(6)(d)6.b.}$ in a trust fund or separate account for use only as authorized in this section.
- 2. A certified applicant may request that the Department of Revenue suspend further distributions of state funds made available under \underline{s} . $\underline{212.20(6)(d)7.b}$. \underline{s} . $\underline{212.20(6)(d)6.b}$. for 12 months after expiration of an existing agreement with a spring training franchise to provide the certified applicant with an opportunity to enter into a new agreement with a spring training franchise, at which time the distributions shall resume.
- 3. The expenditure of state funds distributed to an applicant certified before July 1, 2010, must begin within 48 months after the initial receipt of the state funds. In addition, the construction of, or capital improvements to, a

3-00384A-25 2025110

spring training facility must be completed within 24 months after the project's commencement.

Section 63. Paragraph (c) of subsection (2) and paragraphs (a), (c), and (d) of subsection (3) of section 288.11631, Florida Statutes, are amended to read:

288.11631 Retention of Major League Baseball spring training baseball franchises.—

- (2) CERTIFICATION PROCESS.-
- (c) Each applicant certified on or after July 1, 2013, shall enter into an agreement with the department which:
- 1. Specifies the amount of the state incentive funding to be distributed. The amount of state incentive funding per certified applicant may not exceed \$20 million. However, if a certified applicant's facility is used by more than one spring training franchise, the maximum amount may not exceed \$50 million, and the Department of Revenue shall make distributions to the applicant pursuant to \underline{s} . $\underline{212.20(6)(d)7.c.}$ \underline{s} . $\underline{212.20(6)(d)6.c.}$
- 2. States the criteria that the certified applicant must meet in order to remain certified. These criteria must include a provision stating that the spring training franchise must reimburse the state for any funds received if the franchise does not comply with the terms of the contract. If bonds were issued to construct or renovate a facility for a spring training franchise, the required reimbursement must be equal to the total amount of state distributions expected to be paid from the date the franchise violates the agreement with the applicant through the final maturity of the bonds.
 - 3. States that the certified applicant is subject to

3-00384A-25 2025110

decertification if the certified applicant fails to comply with this section or the agreement.

- 4. States that the department may recover state incentive funds if the certified applicant is decertified.
- 5. Specifies the information that the certified applicant must report to the department.
 - 6. Includes any provision deemed prudent by the department.
 - (3) USE OF FUNDS.—
- (a) A certified applicant may use funds provided under \underline{s} . 212.20(6)(d)7.c. \underline{s} . 212.20(6)(d)6.c. only to:
- 1. Serve the public purpose of constructing or renovating a facility for a spring training franchise.
- 2. Pay or pledge for the payment of debt service on, or to fund debt service reserve funds, arbitrage rebate obligations, or other amounts payable with respect thereto, bonds issued for the construction or renovation of such facility, or for the reimbursement of such costs or the refinancing of bonds issued for such purposes.
- (c) The Department of Revenue may not distribute funds under $\underline{s.\ 212.20(6)(d)7.c.}\ \underline{s.\ 212.20(6)(d)6.c.}$ until July 1, 2016. Further, the Department of Revenue may not distribute funds to an applicant certified on or after July 1, 2013, until it receives notice from the department that:
- 1. The certified applicant has encumbered funds under either subparagraph (a)1. or subparagraph (a)2.; and
- 2. If applicable, any existing agreement with a spring training franchise for the use of a facility has expired.
- (d)1. All certified applicants shall place unexpended state funds received pursuant to \underline{s} . 212.20(6)(d)7.c. \underline{s} .

3-00384A-25 2025110

 $\frac{212.20(6)(d)6.c.}{}$ in a trust fund or separate account for use only as authorized in this section.

- 2. A certified applicant may request that the department notify the Department of Revenue to suspend further distributions of state funds made available under \underline{s} . $\underline{212.20(6)(d)7.c.}$ \underline{s} . $\underline{212.20(6)(d)6.c.}$ for 12 months after expiration of an existing agreement with a spring training franchise to provide the certified applicant with an opportunity to enter into a new agreement with a spring training franchise, at which time the distributions shall resume.
- 3. The expenditure of state funds distributed to an applicant certified after July 1, 2013, must begin within 48 months after the initial receipt of the state funds. In addition, the construction or renovation of a spring training facility must be completed within 24 months after the project's commencement.

Section 64. Subsection (1) of section 443.191, Florida Statutes, is amended to read:

- 443.191 Unemployment Compensation Trust Fund; establishment and control.—
- (1) There is established, as a separate trust fund apart from all other public funds of this state, an Unemployment Compensation Trust Fund, which shall be administered by the Department of Commerce exclusively for the purposes of this chapter. The fund must consist of:
- (a) All contributions and reimbursements collected under this chapter;
 - (b) Interest earned on any moneys in the fund;
 - (c) Any property or securities acquired through the use of

3-00384A-25 2025110

3249 moneys belonging to the fund;

- (d) All earnings of these properties or securities;
- 3251 (e) All money credited to this state's account in the 3252 federal Unemployment Compensation Trust Fund under 42 U.S.C. s. 3253 1103;
 - (f) All money collected for penalties imposed pursuant to s. 443.151(6)(a);
 - (g) Advances on the amount in the federal Unemployment Compensation Trust Fund credited to the state under 42 U.S.C. s. 1321, as requested by the Governor or the Governor's designee; and
 - (h) All money deposited in this account as a distribution pursuant to s. 212.20(6)(d)7.e.

Except as otherwise provided in s. 443.1313(4), all moneys in the fund must be mingled and undivided.

Section 65. Section 571.26, Florida Statutes, is amended to read:

571.26 Florida Agricultural Promotional Campaign Trust Fund.—There is hereby created the Florida Agricultural Promotional Campaign Trust Fund within the Department of Agriculture and Consumer Services to receive all moneys related to the Florida Agricultural Promotional Campaign. Moneys deposited in the trust fund shall be appropriated for the sole purpose of implementing the Florida Agricultural Promotional Campaign, except for money deposited in the trust fund pursuant to s.212.20(6)(d)6.h., which shall be held separately and used solely for the purposes identified in s. 571.265.

3-00384A-25 2025110

Section 66. Subsection (2) of section 571.265, Florida Statutes, is amended to read:

- 571.265 Promotion of Florida thoroughbred breeding and of thoroughbred racing at Florida thoroughbred tracks; distribution of funds.—
- (2) Funds deposited into the Florida Agricultural Promotional Campaign Trust Fund pursuant to s. 212.20(6)(d)7.f. s. 212.20(6)(d)6.f. shall be used by the department to encourage the agricultural activity of breeding thoroughbred racehorses in this state and to enhance thoroughbred racing conducted at thoroughbred tracks in this state as provided in this section. If the funds made available under this section are not fully used in any one fiscal year, any unused amounts shall be carried forward in the trust fund into future fiscal years and made available for distribution as provided in this section.

Section 67. For the purpose of incorporating the amendment made by this act to section 20.60, Florida Statutes, in a reference thereto, subsection (8) of section 288.9935, Florida Statutes, is reenacted to read:

288.9935 Microfinance Guarantee Program. -

- (8) The department must, in the department's report required under s. 20.60(10), include an annual report on the program. The report must, at a minimum, provide:
- (a) A comprehensive description of the program, including an evaluation of its application and guarantee activities, recommendations for change, and identification of any other state programs that overlap with the program;
- (b) An assessment of the current availability of and access to credit for entrepreneurs and small businesses in this state;

3-00384A-25 2025110

(c) A summary of the financial and employment results of the entrepreneurs and small businesses receiving loan guarantees, including the number of full-time equivalent jobs created as a result of the guaranteed loans and the amount of wages paid to employees in the newly created jobs;

- (d) Industry data about the borrowers, including the six-digit North American Industry Classification System (NAICS) code;
- (e) The name and location of lenders that receive loan guarantees;
 - (f) The number of loan guarantee applications received;
- (g) The number, duration, location, and amount of guarantees made;
- (h) The number and amount of guaranteed loans outstanding, if any;
- (i) The number and amount of guaranteed loans with payments overdue, if any;
- (j) The number and amount of guaranteed loans in default, if any;
 - (k) The repayment history of the guaranteed loans made; and
- (1) An evaluation of the program's ability to meet the financial performance measures and objectives specified in subsection (3).

Section 68. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, paragraph (c) of subsection (5) of section 125.0104, Florida Statutes, is reenacted to read:

125.0104 Tourist development tax; procedure for levying; authorized uses; referendum; enforcement.—

3337

3338

3339

3340

3341

3342

3343

33443345

3346

3347

3348

3349

3350

3351

3352

3353

3354

3355

3356

3357

3358

3359

3360

3361

3362

3-00384A-25 2025110

- (5) AUTHORIZED USES OF REVENUE.
- (c) A county located adjacent to the Gulf of Mexico or the Atlantic Ocean, except a county that receives revenue from taxes levied pursuant to s. 125.0108, which meets the following criteria may use up to 10 percent of the tax revenue received pursuant to this section to reimburse expenses incurred in providing public safety services, including emergency medical services as defined in s. 401.107(3), and law enforcement services, which are needed to address impacts related to increased tourism and visitors to an area. However, if taxes collected pursuant to this section are used to reimburse emergency medical services or public safety services for tourism or special events, the governing board of a county or municipality may not use such taxes to supplant the normal operating expenses of an emergency medical services department, a fire department, a sheriff's office, or a police department. To receive reimbursement, the county must:
- 1.a. Generate a minimum of \$10 million in annual proceeds from any tax, or any combination of taxes, authorized to be levied pursuant to this section;
 - b. Have at least three municipalities; and
- c. Have an estimated population of less than 275,000, according to the most recent population estimate prepared pursuant to s. 186.901, excluding the inmate population; or
- 2. Be a fiscally constrained county as described in s. 218.67(1).

The board of county commissioners must by majority vote approve reimbursement made pursuant to this paragraph upon receipt of a

3-00384A-25 2025110

recommendation from the tourist development council.

Section 69. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, subsection (3) of section 193.624, Florida Statutes, is reenacted to read:

193.624 Assessment of renewable energy source devices.-

(3) This section applies to the installation of a renewable energy source device installed on or after January 1, 2013, to new and existing residential real property. This section applies to a renewable energy source device installed on or after January 1, 2018, to all other real property, except when installed as part of a project planned for a location in a fiscally constrained county, as defined in s. 218.67(1), and for which an application for a comprehensive plan amendment or planned unit development zoning has been filed with the county on or before December 31, 2017.

Section 70. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, subsection (2) of section 196.182, Florida Statutes, is reenacted to read:

196.182 Exemption of renewable energy source devices.-

(2) The exemption provided in this section does not apply to a renewable energy source device that is installed as part of a project planned for a location in a fiscally constrained county, as defined in s. 218.67(1), and for which an application for a comprehensive plan amendment or planned unit development zoning has been filed with the county on or before December 31, 2017.

Section 71. For the purpose of incorporating the amendment

3-00384A-25 2025110

made by this act to section 218.67, Florida Statutes, in a reference thereto, subsection (1) of section 218.12, Florida Statutes, is reenacted to read:

- 218.12 Appropriations to offset reductions in ad valorem tax revenue in fiscally constrained counties.—
- (1) Beginning in fiscal year 2008-2009, the Legislature shall appropriate moneys to offset the reductions in ad valorem tax revenue experienced by fiscally constrained counties, as defined in s. 218.67(1), which occur as a direct result of the implementation of revisions of Art. VII of the State Constitution approved in the special election held on January 29, 2008. The moneys appropriated for this purpose shall be distributed in January of each fiscal year among the fiscally constrained counties based on each county's proportion of the total reduction in ad valorem tax revenue resulting from the implementation of the revision.

Section 72. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, subsection (1) of section 218.125, Florida Statutes, is reenacted to read:

- 218.125 Offset for tax loss associated with certain constitutional amendments affecting fiscally constrained counties.—
- (1) Beginning in the 2010-2011 fiscal year, the Legislature shall appropriate moneys to offset the reductions in ad valorem tax revenue experienced by fiscally constrained counties, as defined in s. 218.67(1), which occur as a direct result of the implementation of revisions of ss. 3(f) and 4(b), Art. VII of the State Constitution which were approved in the general

3-00384A-25 2025110

election held in November 2008. The moneys appropriated for this purpose shall be distributed in January of each fiscal year among the fiscally constrained counties based on each county's proportion of the total reduction in ad valorem tax revenue resulting from the implementation of the revisions.

Section 73. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, subsection (1) of section 218.135, Florida Statutes, is reenacted to read:

218.135 Offset for tax loss associated with reductions in value of certain citrus fruit packing and processing equipment.—

appropriate moneys to offset the reductions in ad valorem tax revenue experienced by fiscally constrained counties, as defined in s. 218.67(1), which occur as a direct result of the implementation of s. 193.4516. The moneys appropriated for this purpose shall be distributed in January 2019 among the fiscally constrained counties based on each county's proportion of the total reduction in ad valorem tax revenue resulting from the implementation of s. 193.4516.

Section 74. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, subsection (1) of section 218.136, Florida Statutes, is reenacted to read:

218.136 Offset for ad valorem revenue loss affecting fiscally constrained counties.—

(1) Beginning in fiscal year 2025-2026, the Legislature shall appropriate moneys to offset the reductions in ad valorem tax revenue experienced by fiscally constrained counties, as

3-00384A-25 2025110

defined in s. 218.67(1), which occur as a direct result of the implementation of revisions of s. 6(a), Art. VII of the State Constitution approved in the November 2024 general election. The moneys appropriated for this purpose shall be distributed in January of each fiscal year among the fiscally constrained counties based on each county's proportion of the total reduction in ad valorem tax revenue resulting from the implementation of the revision of s. 6(a), Art. VII of the State Constitution.

Section 75. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, paragraph (cc) of subsection (2) of section 252.35, Florida Statutes, is reenacted to read:

- 252.35 Emergency management powers; Division of Emergency Management.—
- (2) The division is responsible for carrying out the provisions of ss. 252.31-252.90. In performing its duties, the division shall:
- (cc) Prioritize technical assistance and training to fiscally constrained counties as defined in s. 218.67(1) on aspects of safety measures, preparedness, prevention, response, recovery, and mitigation relating to natural disasters and emergencies.

Section 76. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, subsection (4) of section 288.102, Florida Statutes, is reenacted to read:

- 288.102 Supply Chain Innovation Grant Program. -
- (4) A minimum of a one-to-one match of nonstate resources,

3-00384A-25 2025110

including local, federal, or private funds, to the state contribution is required. 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. The one-to-one match requirement is waived for a public entity located in a fiscally constrained county as defined in s. 218.67(1).

Section 77. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, paragraph (g) of subsection (16) of section 403.064, Florida Statutes, is reenacted to read:

403.064 Reuse of reclaimed water.-

- (16) By November 1, 2021, domestic wastewater utilities that dispose of effluent, reclaimed water, or reuse water by surface water discharge shall submit to the department for review and approval a plan for eliminating nonbeneficial surface water discharge by January 1, 2032, subject to the requirements of this section. The plan must include the average gallons per day of effluent, reclaimed water, or reuse water that will no longer be discharged into surface waters and the date of such elimination, the average gallons per day of surface water discharge which will continue in accordance with the alternatives provided for in subparagraphs (a) 2. and 3., and the level of treatment that the effluent, reclaimed water, or reuse water will receive before being discharged into a surface water by each alternative.
 - (g) This subsection does not apply to any of the following:
- 1. A domestic wastewater treatment facility that is located in a fiscally constrained county as described in s. 218.67(1).
 - 2. A domestic wastewater treatment facility that is located

3-00384A-25 2025110

in a municipality that is entirely within a rural area of opportunity as designated pursuant to s. 288.0656.

- 3. A domestic wastewater treatment facility that is located in a municipality that has less than \$10 million in total revenue, as determined by the municipality's most recent annual financial report submitted to the Department of Financial Services in accordance with s. 218.32.
- 4. A domestic wastewater treatment facility that is operated by an operator of a mobile home park as defined in s. 723.003 and has a permitted capacity of less than 300,000 gallons per day.

Section 78. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in references thereto, subsections (2) and (3) of section 589.08, Florida Statutes, are reenacted to read:

589.08 Land acquisition restrictions.-

(2) The Florida Forest Service may receive, hold the custody of, and exercise the control of any lands, and set aside into a separate, distinct and inviolable fund, any proceeds derived from the sales of the products of such lands, the use thereof in any manner, or the sale of such lands save the 25 percent of the proceeds to be paid into the State School Fund as provided by law. The Florida Forest Service may use and apply such funds for the acquisition, use, custody, management, development, or improvement of any lands vested in or subject to the control of the Florida Forest Service. After full payment has been made for the purchase of a state forest to the Federal Government or other grantor, 15 percent of the gross receipts from a state forest shall be paid to the fiscally constrained

3-00384A-25 2025110

county or counties, as described in s. 218.67(1), in which it is located in proportion to the acreage located in each county for use by the county or counties for school purposes.

(3) The Florida Forest Service shall pay 15 percent of the gross receipts from the Goethe State Forest to each fiscally constrained county, as described in s. 218.67(1), in which a portion of the respective forest is located in proportion to the forest acreage located in such county. The funds must be equally divided between the board of county commissioners and the school board of each fiscally constrained county.

Section 79. For the purpose of incorporating the amendment made by this act to section 218.67, Florida Statutes, in a reference thereto, paragraph (f) of subsection (1) of section 1011.62, Florida Statutes, is reenacted to read:

- 1011.62 Funds for operation of schools.—If the annual allocation from the Florida Education Finance Program to each district for operation of schools is not determined in the annual appropriations act or the substantive bill implementing the annual appropriations act, it shall be determined as follows:
- (1) COMPUTATION OF THE BASIC AMOUNT TO BE INCLUDED FOR OPERATION.—The following procedure shall be followed in determining the annual allocation to each district for operation:
- (f) Small district factor.—An additional value per full-time equivalent student membership is provided to each school district with a full-time equivalent student membership of fewer than 20,000 full-time equivalent students which is in a fiscally constrained county as described in s. 218.67(1). The amount of

3-00384A-25 2025110

the additional value shall be specified in the General Appropriations Act.

Section 80. For the purpose of incorporating the amendment made by this act to sections 218.67 and 339.2818, Florida Statutes, in references thereto, paragraph (c) of subsection (6) of section 403.0741, Florida Statutes, is reenacted to read:

403.0741 Grease waste removal and disposal.-

- (6) REGULATION BY LOCAL GOVERNMENTS.-
- (c) Fiscally constrained counties as described in s. 218.67(1) and small counties as defined in s. 339.2818(2) may opt out of the requirements of this section.

Section 81. For the purpose of incorporating the amendment made by this act to section 288.0656, Florida Statutes, in a reference thereto, paragraph (e) of subsection (7) of section 163.3177, Florida Statutes, is reenacted to read:

163.3177 Required and optional elements of comprehensive plan; studies and surveys.—

(7)

(e) This subsection does not confer the status of rural area of opportunity, or any of the rights or benefits derived from such status, on any land area not otherwise designated as such pursuant to s. 288.0656(7).

Section 82. For the purpose of incorporating the amendment made by this act to section 288.9961, Florida Statutes, in a reference thereto, paragraph (a) of subsection (7) of section 288.9962, Florida Statutes, is reenacted to read:

288.9962 Broadband Opportunity Program.-

(7) (a) In evaluating grant applications and awarding grants, the office must give priority to applications that:

3-00384A-25 2025110

1. Offer broadband Internet service to important community institutions, including, but not limited to, libraries, educational institutions, public safety facilities, and health care facilities;

- 2. Facilitate the use of telemedicine and electronic health records;
- 3. Serve economically distressed areas of this state, as measured by indices of unemployment, poverty, or population loss that are significantly greater than the statewide average;
- 4. Provide for scalability to transmission speeds of at least 100 megabits per second download and 10 megabits per second upload;
- 5. Include a component to actively promote the adoption of the newly available broadband Internet service in the community;
- 6. Provide evidence of strong support for the project from citizens, government, businesses, and institutions in the community;
- 7. Provide access to broadband Internet service to the greatest number of unserved households and businesses;
- 8. Leverage greater amounts of funding for a project from private sources; or
- 9. Demonstrate consistency with the strategic plan adopted under s. 288.9961.

Section 83. For the purpose of incorporating the amendment made by this act to section 319.32, Florida Statutes, in a reference thereto, subsection (1) of section 215.211, Florida Statutes, is reenacted to read:

215.211 Service charge; elimination or reduction for specified proceeds.—

3-00384A-25 2025110

(1) Notwithstanding the provisions of s. 215.20(1) and former s. 215.20(3), the service charge provided in s. 215.20(1) and former s. 215.20(3), which is deducted from the proceeds of the taxes distributed under ss. 206.606(1), 207.026, 212.0501(6), and 319.32(5), shall be eliminated beginning July 1, 2000.

Section 84. For the purpose of incorporating the amendment made by this act to section 339.68, Florida Statutes, in references thereto, subsections (5) and (6) of section 339.66, Florida Statutes, are reenacted to read:

339.66 Upgrade of arterial highways with controlled access facilities.—

- (5) Any existing applicable requirements relating to department projects shall apply to projects undertaken by the department pursuant to this section. The department shall take into consideration the guidance and recommendations of any previous studies or reports relevant to the projects authorized by this section and ss. 339.67 and 339.68, including, but not limited to, the task force reports prepared pursuant to chapter 2019-43, Laws of Florida.
- (6) Any existing applicable requirements relating to turnpike projects apply to projects undertaken by the Turnpike Enterprise pursuant to this section. The Turnpike Enterprise shall take into consideration the guidance and recommendations of any previous studies or reports relevant to the projects authorized by this section and ss. 339.67 and 339.68, including, but not limited to, the task force reports prepared pursuant to chapter 2019-43, Laws of Florida, and with respect to any extension of the Florida Turnpike from its northerly terminus in

3-00384A-25 2025110

3655 Wildwood.

Section 85. For the purpose of incorporating the amendment made by this act to section 420.9073, Florida Statutes, in references thereto, subsections (4) and (6) of section 420.9072, Florida Statutes, are reenacted to read:

420.9072 State Housing Initiatives Partnership Program.—The State Housing Initiatives Partnership Program is created for the purpose of providing funds to counties and eligible municipalities as an incentive for the creation of local housing partnerships, to expand production of and preserve affordable housing, to further the housing element of the local government comprehensive plan specific to affordable housing, and to increase housing-related employment.

- (4) Moneys in the Local Government Housing Trust Fund shall be distributed by the corporation to each approved county and eligible municipality within the county as provided in s. 420.9073. Distributions shall be allocated to the participating county and to each eligible municipality within the county according to an interlocal agreement between the county governing authority and the governing body of the eligible municipality or, if there is no interlocal agreement, according to population. The portion for each eligible municipality is computed by multiplying the total moneys earmarked for a county by a fraction, the numerator of which is the population of the eligible municipality and the denominator of which is the total population of the county. The remaining revenues shall be distributed to the governing body of the county.
- (6) The moneys that otherwise would be distributed pursuant to s. 420.9073 to a local government that does not meet the

3-00384A-25 2025110

program's requirements for receipts of such distributions shall remain in the Local Government Housing Trust Fund to be administered by the corporation.

Section 86. For the purpose of incorporating the amendment made by this act to section 420.9073, Florida Statutes, in a reference thereto, paragraph (b) of subsection (7) of section 420.9076, Florida Statutes, is reenacted to read:

420.9076 Adoption of affordable housing incentive strategies; committees.—

- (7) The governing board of the county or the eligible municipality shall notify the corporation by certified mail of its adoption of an amendment of its local housing assistance plan to incorporate local housing incentive strategies. The notice must include a copy of the approved amended plan.
- (b) If a county fails to timely adopt an amended local housing assistance plan to incorporate local housing incentive strategies but an eligible municipality receiving a local housing distribution pursuant to an interlocal agreement within the county does timely adopt an amended local housing assistance plan to incorporate local housing incentive strategies, the corporation, after issuance of a notice of termination, shall thereafter distribute directly to the participating eligible municipality its share calculated in the manner provided in s. 420.9073.

Section 87. For the purpose of incorporating the amendment made by this act to section 420.9073, Florida Statutes, in a reference thereto, subsection (2) of section 420.9079, Florida Statutes, is reenacted to read:

420.9079 Local Government Housing Trust Fund.-

 3-00384A-25 2025110

(2) The corporation shall administer the fund exclusively for the purpose of implementing the programs described in ss. 420.907-420.9076 and this section. With the exception of monitoring the activities of counties and eligible municipalities to determine local compliance with program requirements, the corporation shall not receive appropriations from the fund for administrative or personnel costs. For the purpose of implementing the compliance monitoring provisions of s. 420.9075(9), the corporation may request a maximum of one-quarter of 1 percent of the annual appropriation per state fiscal year. When such funding is appropriated, the corporation shall deduct the amount appropriated prior to calculating the local housing distribution pursuant to ss. 420.9072 and 420.9073.

Section 88. This act shall take effect July 1, 2025.

ADVENTHEALTH PALM COAST - Palm Coast

FY 2023-2024

Add a third chiller with supporting equipment. Total cost of the project, \$1,750,000.

FY 2024-2025

This grant is being used to reduce the funding shortfall of the FY 2023-2024 project to add a third chiller.

ADVENTHEALTH WAUCHULA - Wauchula

FY 2023-2024

Purchase a leased building housing a Rural Health Clinic. Purchase has been completed. Total cost of project, \$679,320.

FY 2024-2025

Relocate the PromptCare Clinic by either renovating existing space or purchase an existing clinic building. Total estimated cost is between \$475,000 to \$525,000.

ASCENSION SACRED HEART EMERALD COAST – Destin

FY 2023-2024

Replace fixed nuclear medicine camera equipment; refresh 27 patient rooms and bathrooms; upgrades to HVAC system and HVAC automatic humidification system. Projects completed under budget. Hospital is adding approved FCO projects to use all grant funds.

FY 2024-2025

Refresh 22-bed ICU/PCU rooms; replace flooring in main surgery department; install air compressor in the Sterile Processing department; refresh counters and sinks in Radiology department.

ASCENSION SACRED HEART GULF – Port St. Joe

FY 2023-2024

Harden building exterior; resurface parking lot; update 19 med-surg patient rooms and four ED patient bathrooms. Projects completed under budget. Hospital is adding approved FCO projects to use all grant funds.

FY 2024-2025

Refresh paint in hospital corridor and departments; refresh hospital flooring; replace inpatient beds. Total cost of projects, \$482,293.

BAPTIST MEDICAL CENTER NASSAU – Fernandina Beach

FY 2023-2024

Replace roof top air handler and replace boiler. Boiler replacement has been completed. The roof top handler replacement is expected to be completed by the end of 2024.

FY 2024-2025

Replace roof top air handler #33; exterior wall improvements. Total cost of projects, \$771,550.

CALHOUN-LIBERTY HOSPITAL - Blountstown

FY 2023-2024

Address shortfall of \$1.66 million for phase one construction of replacement hospital facility. The grant funds food service equipment and pre-engineered buildings for the Central Utility Plant.

FY 2024-2025

Purchase new CT Scanner, wall protection and toilet access items for the new facility.

DESOTO MEMORIAL HOSPITAL – Arcadia

FY 2023-2024

Add second chiller and reconfigure layout of chiller system. Recent hurricanes have delayed the evaluation of load monitoring data necessary to reconfigure the system. Total cost of project, \$1,440,000.

FY 2024-2025

Address shortfall in funding for adding second chiller to the hospital.

DOCTORS MEMORIAL HOSPITAL - Bonifay

FY 2023-2024

Replace HVAC system. Hospital is awaiting cooler weather to replace system, as no A/C will be available for the covered area of the hospital during replacement. Total cost, \$1.6 million.

FY 2024-2025

Various equipment replacement; purchase warehouse/storage building.

DOCTORS' MEMORIAL HOSPITAL - Perry

FY 2023-2024

Renovate emergency room space. Project completed. Total cost of project, \$967,099.

FY 2024-2025

Upgrade cafeteria; renovate cardio/pulmonary rehab room; construct outdoor rehab trail and cover/renovate patio for rehab patients. Total cost, \$512,000.

ED FRASER MEMORIAL HOSPITAL - Macclenny **FY 2023-2024**

Renovate emergency department space. Due to errors in permit applications by the contractor and architect, hospital has assumed all responsibilities. Project is proceeding. Total estimated cost, \$2.2 million.

FY 2024-2025

Address funding shortfall of FY 2023-2024 ED renovation project.

GEORGE E WEEMS MEMORIAL HOSPITAL - Apalachicola

FY 2023-2024

Replace exterior doors; upgrade phone system; replace CT equipment. Phone system project completed, and work is ongoing to replace doors. CT equipment is pending purchase.

FY 2024-2025

CT room creation/renovation; replace security system; IT switch replacement; patient rooms flooring replacement.

HCA FLORIDA PUTNAM HOSPITAL - Palatka

FY 2023-2024

Interior modernizations in Med-Surg and Step-Down units. This project has required a lengthy lead time for planning. Construction has begun with completion by 3/31/2025. Grant funds are expected to be expended by the end of 2024. Total cost of project, \$887,250.

FY 2024-2025

Add medical air and suction to 20 medical-surgical rooms, and repair water intrusion damage. Total cost, \$650,000.

HCA FLORIDA RAULERSON HOSPITAL - Okeechobee

FY 2023-2024

Upgrade HVAC. Project has had a long design phase. Project to be completed by 6/30/2025, with grants funds to be expended by the end of 2024. Total project cost, \$1,896,384.

FY 2024-2025

Continuation of the project to upgrade current HVAC system.

HENDRY REGIONAL MEDICAL CENTER - Clewiston

FY 2023-2024

Partial roof replacement and office building roof replacement; replace chiller and cooling tower, install storm shutters. Roof replacement and storm shutter projects have been completed. The Chiller project is expected to be completed by mid-November, 2024. Total cost, \$825,407.

FY 2024-2025

Replace main a/c cooling tower; parking lot improvements; install water filtration and conditioning system for HVAC; renovate kitchen/bathrooms in housing unit; install emergency power generator. Total cost, \$595,864.

JACKSON HOSPITAL - Marianna

FY 2023-2024

Renovate a building to house the hospital IT Department. Construction has begun, with completion by the end of 2024. Total cost to exceed \$575,000.

FY 2024-2025

Buildout of the new building space to house the physical therapy department. Total cost \$3.5 million (\$1.4 million being funded by an unrelated grant.)

JAY HOSPITAL - Jay

FY 2023-2024

Purchase 64 slice CT, with installation; update space for Inpatient Rehab; update x-ray file room. All projects have been completed.

FY 2024-2025

Replace gastroenterology system; replace front entry canopy; upgrade areas of hospital; renovate 19 patient rooms and bathrooms. Total cost, \$816,937.

LAKE BUTLER HOSPITAL – Lake Butler

FY 2023-2024

Purchase and install powerhouse; upgrade sprinkler system; mechanical installation for HVAC and chiller. Grant funds expended. Total costs, \$1,705,738.

FY 2024-2025

Continuation of 2023-24 ED renovation project to upgrade hospital sprinkler system, upgrade power capacity to hospital; purchase larger emergency power generator.

LAKESIDE MEDICAL CENTER – Belle Glade

FY 2024-2025

Replace Nuclear Medicine camera; add telemetry equipment; renovate Nuclear Medicine room. Total costs \$530,000.

MADISON COUNTY MEMORIAL HOSPITAL - Madison

FY 2023-2024

Renovate a building on campus for use as a clinic; upgrade facility security system. Security system project completed. Renovation construction to begin in October, 2024. Total costs, \$762,223.

FY 2024-2025

Replace lab, mammography and laser therapy equipment; purchase additional security cameras. Total costs, \$847,422.

MARINERS HOSPITAL - Tavernier

FY 2024-2025

Renovation and relocation of the Endoscopy Suite. Total costs, \$1.7 million.

NORTHWEST FLORIDA COMMUNITY HOSPITAL - Chipley

FY 2023-2024

Address funding shortfall to renovate patient rooms and expand operating room. All grant funds expended. Total costs, \$7.6 million.

FY 2024-2025

Continuation of operating room expansion project; remodel 10 med-surg patient rooms; renovate ED, replace main floor flooring; replace chiller. Additional projects costs, \$935,297.

The Florida Senate BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

	Prepare	d By: The Profe	ssional Staf	f of the Committee	on Community Affairs	
BILL:	SB 68					
INTRODUCER:	Senator Martin					
SUBJECT:	Health Facilities Authorities					
DATE:	February 2	7, 2025 R	EVISED:			
ANAL	YST	STAFF DIF	RECTOR	REFERENCE	ACTION	
. Shuler		Fleming		CA	Pre-meeting	
···				HP		
				RC		

I. Summary:

SB 68 substantially amends multiple provisions of Part III of ch. 154, F.S., related to health facilities authorities (authorities). The bill expands the definition of "health facility" to include other entities and associations organized not for profit, including, but not limited to, limited liability companies controlled directly or indirectly by one or more not-for-profit organizations. The bill expands the powers of authorities related to loans, bonds, and other debts used for the purpose of acquiring, constructing, financing, and refinancing projects and specifies requirements for agreements executed for such financing tools.

The bill has an effective date of July 1, 2025.

II. Present Situation:

Health Facilities Authorities

Generally

The Health Facilities Authorities Law¹ (the Law) was enacted in 1974 to provide health facilities in each local agency (defined as a county or municipality²) with a measure of assistance and an alternate method to enable the health facilities to provide the facilities and structures that are determined to be needed by the community to improve the development and maintenance of the public health.³

¹ Part III of ch. 154, F.S.

² Section 154.205(9), F.S.

³ Section 154.203, F.S.

Health facilities include any private corporation organized not-for-profit and authorized by law to provide:

- Hospital services in accordance with ch. 395, F.S., related to hospital licensing and regulation;
- Nursing home care services in accordance with ch. 400, F.S., related to nursing home and related health care facilities;
- Life care services in accordance with ch. 651, F.S., related to continuing care contracts;
- Services for the developmentally disabled under ch. 393, F.S., related to developmental disabilities;
- Services for the mentally ill under ch. 394, F.S., related to mental health;
- Assisted living services in accordance with ch. 429, related to assisted care communities;
- Hospice services in accordance with ch. 400, related to nursing homes and related health care facilities; and
- Independent living facilities and services as part of a retirement community that provides nursing home care services or assisted living services on the same campus.⁴

The Law authorizes a local agency to create an authority if the governing body⁵ of the local agency determines there is a need for an authority by adopting an ordinance or resolution.⁶ An authority is a public corporation created by s. 154.207, F.S.; or a board, body, commission, or department of a local agency succeeding to the principal functions of the public corporation or to whom the powers and responsibilities authorized by the Law are given by the local agency.⁷ The governing body of the local agency is required to appoint five persons, who must be residents of the local agency, as members of the authority to serve staggered terms of 4 years each.⁸ Members of the authority are eligible for reappointment and serve without compensation, but are paid for necessary expenses incurred while engaged in the performance of the authority's duties.⁹ Costs of employing professionals, staff, and other costs of operating the authority must be paid from funds obtained under the Law.¹⁰

Any member of the authority who is employed by, or receives income from, a health facility under consideration by the authority may not vote on any matter related to that facility. All meetings of the authority, and its records, books, documents, and papers are open and available to the public in accordance with the Public Meetings Law in s. 286.011, F.S. 12

Purpose and Powers of the Authority

The purpose of the authority is to assist health facilities in the acquisition, construction, financing, and refinancing of projects within the geographical limits of the local agency.¹³

⁴ Section 154.205(8), F.S.

⁵ The governing body means the board, commission, or other governing body of any local agency in which the general legislative powers of such local agency are vested. Section 154.205(7), F.S.

⁶ Section 154.207(1), F.S.

⁷ Section 154.205(2), F.S.

⁸ Section 154.207(4), F.S.

⁹ Section 154.207(8), F.S.

¹⁰ See s. 154.211, F.S.

¹¹ Section 154.207(9), F.S.

¹² Section 154.207(7), F.S.

¹³ Section 154.209, F.S.

However, if an authority finds that there will be a benefit or a cost savings to a health facility located within its jurisdiction, it may issue bonds for the health facility to finance projects for the health facility or for another not-for-profit corporation under common control with a health facility that is located outside the geographical limits of the local agency or outside the state.¹⁴

A "project" is defined¹⁵ as any structure, facility, machinery, equipment, or other property suitable for use by a health facility in connection with its operations or proposed operations, including without limitation:

- Real property;
- A clinic, computer facility, dining hall, firefighting facility, fire prevention facility, food service and preparation facility, health care facility, long-term care facility, hospital, interns' residence, laboratory, laundry, maintenance facility, nurses' residence; nursing home, nursing school, office, parking area, pharmacy, recreational facility, research facility, storage facility, utility, or X-ray facility, or any combination of these; and
- Other structures or facilities related, required, or useful for health care purposes, research, or
 the operation of a health facility, including facilities or structures essential or convenient for
 the orderly conduct of the health facility and other similar items necessary or convenient for
 the operation of a particular facility or structure in the manner for which its use is intended;
 and excluding fuel, supplies, or other items customarily charged as current operating
 expenses.

The Law also provides in s. 154.209(18), F.S., that an accounts receivable program constitutes a project.

The authority is authorized and empowered, among other things, to:

- Sue and be sued:
- Purchase, lease, receive by gift or otherwise, or obtain options for the acquisition of, any real
 or personal property for the acquisition, construction, operation, or maintenance of any
 project;
- Construct, acquire, own, lease, repair, maintain, extend, expand, improve, rehabilitate, renovate, furnish, and equip projects and to pay all or any part of these costs from the proceeds of bonds of the authority or from any other funds made available to the authority for such purpose;
- Make and execute agreements of lease, contracts, deeds, mortgages, notes, and other instruments necessary or convenient in the exercise of its powers and functions;
- Sell, lease, exchange, mortgage, transfer, or otherwise dispose of, or to grant options for any such purposes with respect to any project, any real or personal property or interest therein;
- Pledge or assign any money, rents, charges, fees, or other revenues and any proceeds derived from sales of property, insurance, or condemnation awards;
- Fix, charge, and collect rents, fees, and charges for the use of any project;
- Issue bonds for the purpose of providing funds to pay all or any part of the cost of any project and to issue refunding bonds;

¹⁴ Section 154.247, F.S.

¹⁵ Section 154.205(10), F.S.

• Employ consulting engineers, architects, surveyors, attorneys, accountants, financial experts, and such other employees and agents as may be necessary and to fix their compensation;

- Acquire existing projects, reimburse any health facility for the cost of such project, and refund outstanding obligations, mortgages, or advances issued, made, or given by a health facility for the cost of the project;
- Mortgage any project and site for the benefit of the holders of the bonds issued to finance that project;
- Participate in and to issue bonds for the purpose of establishing and maintaining a
 self-insurance pool, as provided under the state Insurance Code, on behalf of a health facility
 or a group of health facilities in order to resolve issues related to an act or omission of the
 health facility, its employees, or agents in the performance of health care or
 health-care-related functions;
- Issue special obligation revenue bonds for the purpose of establishing and maintaining the self-insurance pool and related reserve funds;
- Participate in and issue bonds and other forms of indebtedness for the purpose of establishing and maintaining an accounts receivable program on behalf of a health facility or group of health facilities;
- Issue and renew its negotiable notes; and
- Issue revenue bonds for the purpose of paying all or any part of the cost of any project or for acquiring existing or completed health facilities projects and negotiable bond anticipation notes payable out of revenues derived by the authority from the sale, operation, or leasing of any project. ¹⁶

Revenue bonds issued by an authority under the Law are not a debt, liability, obligation, or a pledge of the faith and credit of the local agency, the state, or any political subdivision but are payable solely from the revenues of the project.¹⁷

The Law provides that if a project is subject to review under the Health Facility and Services Development Act in ss. 408.031 – 408.045, F.S., a certificate of need (CON) is required before revenue bonds are validated for a project. A CON is a written statement issued by the Agency for Health Care Administration (Agency) evidencing community need for a new, converted, expanded, or otherwise significantly modified health care facility or hospice. Urrently, a CON is required for the addition of beds in community nursing homes or intermediate care facilities for the developmentally disabled, the new construction or establishment of additional health care facilities the conversion from one type of health care facility to another, and the establishment of a hospice, certain hospice inpatient facilities. A CON issued by the Agency is not required for certain projects upon request.

¹⁶ See ss. 154.209, 154.217, and 154.219, F.S.

¹⁷ Section 154.223, F.S.

¹⁸ Section 154.245, F.S. See also s. 154.213, F.S.

¹⁹ Section 408.032(3), F.S.

²⁰ Except for a replacement health care facility when the proposed project site is located on the same site as or within 1 mile of the existing health care facility if the number of beds in each licensed bed category will not increase. Section 408.036(1)(b), F.S.

²¹ Section 408.036(1), F.S.

²² See s.408.036(3), F.S.

Currently there are 22 Health Facilities Authorities throughout the state.²³

III. Effect of Proposed Changes:

SB 68 revises the definition of a health facility to include other entities and associations organized not for profit, including, but not limited to, limited liability companies controlled directly or indirectly by one or more not-for-profit organizations.

The bill revises the powers of authorities to include the power to make and execute loan agreements; to refund outstanding bonds; to refund certain debts issued, made, or given on behalf of a health facility; to make mortgage or other secured or unsecured loans to or for the benefit of any health facility for the cost of a project or to refund or refinance outstanding bonds, obligations, loans, indebtedness, or advances.

The bill requires that mortgage or other secured or unsecured loans be made pursuant to an agreement between an authority and a health facility and allows such loans to be made to an entity affiliated with a health facility that undertakes such financing, refunding, or refinancing, if the loan proceeds are made available to or applied for the benefit of the health facility.

The bill applies the existing requirements for lease agreements in current law to loan agreements and specifies additional requirements for loan agreements. Specifically, the bill requires that a loan agreement govern projects financed or refinanced by the authority with the proceeds of bonds. Such a loan agreement may be between an authority and a health facility or between an authority and an entity affiliated with a health facility that undertakes such financing if the loan proceeds are made available to or applied for the benefit of the health facility.

The bill provides an effective date of July 1, 2025.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

²³ FLORIDA DEPARTMENT OF COMMERCE, Official List of Special Districts, https://www.floridajobs.org/community-planning-and-development/special-districts/special-districts/special-districts/special-districts/special-districts/special-districts/special-districts. (last visited on Feb 26, 2025). They include the Alachua County Health Facilities Authority, Altamonte Springs Health Facilities Authority, Brevard County Health Facilities Authority, City of Cape Coral Health Facilities Authority, City of Miami Health Facilities Authority, Collier County Health Facilities Authority, Escambia Health Facilities Authority, Highlands County Health Facilities Authority, Jacksonville Health Facilities Authority, Martin County Health Facilities Authority, Miami Beach Health Facilities Authority, Miami-Dade County Health Facilities Authority, Mount Dora Health Facilities Authority, Orange County Health Facilities Authority, Pasco County Health Facilities Authority, Pinellas County Health Facilities Authority, Santa Rosa County Health Facilities Authority, and Sarasota County Health Facilities Authority. *Id.*

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

Article VII, s. 19 of the Florida Constitution requires that legislation that increases or creates taxes or fees be passed by a 2/3 vote of each chamber in a bill with no other subject. The bill does not increase or create new taxes or fees. Thus, the constitutional requirements related to new or increased taxes or fees do not apply.

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The bill expands the available options for authorities to assist private entities in acquiring, constructing, financing, and refinancing projects supporting the provision of health care services.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 154.205, 154.209, 154.213, 154.219, 154.221, 154.225, 154.235, and 154.247.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

By Senator Martin

33-00198-25 202568

A bill to be entitled

An act relating to health facilities authorities; amending s. 154.205, F.S.; revising the definition of the term "health facility" to include other entities and associations organized not for profit; amending s. 154.209, F.S.; revising the powers of health facilities authorities to include the power to issue certain loans and execute related loan agreements; amending s. 154.213, F.S.; specifying requirements for projects financed by loan agreements issued by a health facilities authority; specifying provisions that may be included in such loan agreements; amending ss. 154.219, 154.221, 154.225, 154.235, and 154.247, F.S.; conforming provisions to changes made by the act; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Subsection (8) of section 154.205, Florida Statutes, is amended to read:

154.205 Definitions.—The following terms, whenever used in this part, shall have the following meanings unless a different meaning clearly appears from the context:

- (8) "Health facility" means any private corporation <u>or</u> other entity or association organized not for profit, including, but not limited to, a limited liability company controlled directly or indirectly by one or more not-for-profit organizations, and authorized by law to provide:
 - (a) Hospital services in accordance with chapter 395;

33-00198-25 202568__

30 (b) Nursing home care services in accordance with chapter 31 400;

- (c) Life care services in accordance with chapter 651;
- (d) Services for the developmentally disabled under chapter 393;
 - (e) Services for the mentally ill under chapter 394;
- (f) Assisted living services in accordance with chapter 429; or
 - (g) Hospice services in accordance with chapter 400.

The term also includes any private corporation <u>or other entity</u> <u>or association</u> organized not for profit which offers independent living facilities and services as part of a retirement community that provides nursing home care services or assisted living services on the same campus.

Section 2. Present subsection (19) of section 154.209, Florida Statutes, is redesignated as subsection (21), a new subsection (19) and subsection (20) are added to that section, and subsections (6), (8), (9), (13), and (18) of that section are amended, to read:

154.209 Powers of authority.—The purpose of the authority shall be to assist health facilities in the acquisition, construction, financing, and refinancing of projects in any incorporated or unincorporated area within the geographical limits of the local agency. For this purpose, the authority is authorized and empowered:

(6) To make and execute agreements of lease, contracts, deeds, <u>loan agreements</u>, mortgages, notes, and other instruments necessary or convenient in the exercise of its powers and

33-00198-25 202568

functions under this part.

- (8) To pledge or assign any money, rents, <u>loan payments</u>, charges, fees, or other revenues and any proceeds derived from sales of property, insurance, or condemnation awards.
- (9) To fix, charge, and collect rents, $\underline{loan\ payments}$, fees, and charges for the use of any project.
- (13) To acquire existing projects and to refund outstanding bonds, obligations, mortgages, or advances issued, made, or given by or on behalf of a health facility for the cost of such project.
- (18) To participate in and issue bonds and other forms of indebtedness for the purpose of establishing and maintaining an accounts receivable program on behalf of a health facility or group of health facilities. Notwithstanding any other provisions of this part, the structuring and financing of an accounts receivable program pursuant to this subsection shall constitute a project and may be structured for the benefit of health facilities within or outside the geographical limits of the local agency. An accounts receivable program may include the financing of accounts receivable acquired by a health facility from other not-for-profit health care organizations corporations, whether or not controlled by or affiliated with the health facility and regardless of location within or outside the geographical limits of this state.
- (19) To make mortgage or other secured or unsecured loans to or for the benefit of any health facility for the cost of a project in accordance with an agreement between the authority and the health facility. Such loans may be made to any entity affiliated with a health facility that undertakes such

33-00198-25 202568

financing, if the proceeds of such loan are made available to or applied for the benefit of such health facility.

(20) To make mortgage or other secured or unsecured loans to or for the benefit of a health facility in accordance with an agreement between the authority and the health facility to refund or refinance outstanding bonds, obligations, loans, indebtedness, or advances issued, made, given, or incurred by or for the benefit of such health facility for the cost of a project. Such loans may be made to any entity affiliated with a health facility that undertakes such refunding or refinancing, if the proceeds of such loan are made available to or applied for the benefit of such health facility.

Section 3. Section 154.213, Florida Statutes, is amended to read:

undertaking any project pursuant to this part, the authority shall first obtain a valid certificate of need evidencing need for the project and a statement that the project serves a public purpose by advancing the commerce, welfare, and prosperity of the local agency and its people. A No project financed under the provisions of this part may not shall be operated by the authority or any other governmental agency; however, the authority may temporarily operate or cause to be operated all or any part of a project to protect its interest therein pending any leasing of such project in accordance with the provisions of this part. The authority may lease a project or projects to a health facility for operation and maintenance in such manner as to effectuate the purposes of this part under an agreement of lease in form and substance not inconsistent herewith. Projects

127

128

129

130131

132

133

134

135

136

137

138

139140

141142

143

144

145

33-00198-25 202568__

117 financed or refinanced by the authority with the proceeds of 118 bonds issued for the benefit of a health facility pursuant to s. 119 154.209(19) or (20) shall be governed by one or more loan 120 agreements made between the authority and a health facility, or 121 between the authority and an entity affiliated with a health 122 facility that undertakes such financing, if the proceeds of such 123 loan are made available to or applied for the benefit of such 124 health facility.

- (1) Any such agreement of lease <u>or loan agreement</u> may provide, among other provisions, that:
- (a) The lessee <u>under an agreement of lease or an obligor</u>
 <u>under a loan agreement</u> shall at its own expense operate, repair,
 and maintain the project or projects <u>financed or refinanced</u>
 leased thereunder.
- (b) The rent payable under the <u>agreement of lease or the loan payments made pursuant to the loan agreement</u> shall in the aggregate be not less than an amount sufficient to pay all of the interest, principal, and redemption premiums, if any, on the bonds that <u>are shall be</u> issued by the authority to pay the cost of the project or projects <u>financed or refinanced leased</u> thereunder.
- (c) The lessee under an agreement of lease or the obligor under a loan agreement shall pay all costs incurred by the authority in connection with the acquisition, financing, construction, and administration of the project or projects financed or refinanced leased, except as may be paid out of the proceeds of bonds or otherwise, including, but not without being limited to, insurance costs, the cost of administering the bond resolution authorizing such bonds and any trust agreement

33-00198-25 202568

securing the bonds, and the fees and expenses of trustees, paying agents, attorneys, consultants, and others.

- (d) The terms of the <u>agreement of lease or loan agreement</u> shall terminate not earlier than the date on which all such bonds and all other obligations incurred by the authority in connection with the project or projects <u>financed or refinanced leased</u> thereunder <u>are shall be paid</u> in full, including interest, principal, and redemption premiums, if any, or adequate funds for such payment <u>are shall be</u> deposited in trust.
- (e) The lessee's obligation to pay rent under the agreement of lease and the obligor's obligation to make loan payments under a loan agreement may shall not be subject to cancellation, termination, or abatement by the lessee or the obligor until such payment of the bonds or provision for such payment is shall be made.
- (2) Such agreement of lease or loan agreement may contain such additional provisions as in the determination of the authority are necessary or convenient to effectuate the purposes of this part, including provisions for extensions of the term and renewals of the lease or loan agreement and vesting in the lessee an option to purchase the project leased thereunder pursuant to such terms and conditions consistent with this part as shall be prescribed in the lease. Except as may otherwise be expressly stated in the agreement of lease or loan agreement, to provide for any contingencies involving the damaging, destruction, or condemnation of the project financed or refinanced leased or any substantial portion thereof, such option to purchase may not be exercised unless all bonds issued for such project, including all principal, interest, and

33-00198-25 202568__

redemption premiums, if any, and all other obligations incurred by the authority in connection with such project, shall have been paid in full or sufficient funds shall have been deposited in trust for such payment. The purchase price of such project shall not be less than an amount sufficient to pay in full all of the bonds, including all principal, interest, and redemption premiums, if any, issued for the project then outstanding and all other obligations incurred by the authority in connection with such project.

Section 4. Paragraph (b) of subsection (4) of section 154.219, Florida Statutes, is amended to read:

154.219 Revenue bonds.-

- (4) Any resolution or resolutions authorizing any revenue bonds or any issue of revenue bonds may contain provisions which shall be a part of the contract with the holders of the revenue bonds to be authorized, as to:
- (b) The rentals, <u>loan payments</u>, fees, and other charges to be charged, the amounts to be raised in each year thereby, and the use and disposition of the revenues.

Section 5. Section 154.221, Florida Statutes, is amended to read:

154.221 Security of bondholders.—In the discretion of the authority, any bonds issued under the provisions of this part may be secured by a trust agreement by and between the authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or outside without the state. Such trust agreement or resolution providing for the issuance of such bonds may pledge or assign the fees, rents, charges, or proceeds from the sale of any project or part

205

206

207

208

209

210

211

212

213214

215

216

217

218219

220

221

222

223

224

225

226

227

228229

230

231

232

33-00198-25 202568___

thereof, insurance proceeds, condemnation awards, and other funds and revenues to be received therefor, and may provide for the mortgaging of any project or any part thereof as security for repayment of the bonds. Such trust agreement or resolution providing for the issuance of such bonds shall contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority in relation to the acquisition of property and the construction, improvement, maintenance, repair, operation, and insurance of the project or projects in connection with which such bonds shall have been authorized; the fees, rents, loan payments, and other charges to be fixed and collected; the sale of any project, or part thereof, or other property; the terms and conditions for the issuance of additional bonds; and the custody, safeguarding, and application of all moneys. It shall be lawful for any bank or trust company incorporated under the laws of the state which may act as depositary of the proceeds of bonds, revenues, or other money hereunder to furnish such indemnifying bonds or to pledge such securities as may be required by the authority. Any such trust agreement or resolution shall set forth the rights and remedies of the bondholders and of the trustee and may restrict the individual right of action by bondholders. In addition to the foregoing, any such trust agreement or resolution may contain such other provisions as the authority may deem reasonable and proper for the security of the bondholders. All expenses incurred in carrying out the provisions of such trust agreement or resolution may be treated as a part of the cost of the project

33-00198-25 202568

or projects in connection with which bonds are issued or as an expense of administration of such projects, as the case may be.

Section 6. Section 154.225, Florida Statutes, is amended to read:

154.225 Revenues.-

- (1) The authority is hereby authorized to fix and to collect fees, rents, <u>loan payments</u>, and charges for the use of any project or projects and any part or section thereof. The authority may require that <u>the health facility operating any project or any part thereof financed or refinanced under this chapter or the lessee of any project or part thereof shall operate, repair, and maintain the project and bear the cost thereof and other costs of the authority in connection with the project or projects <u>financed or refinanced leased</u> as may be provided in the agreement of lease, <u>loan agreement</u>, or other contract with the authority, in addition to other obligations imposed under such agreement or contract.</u>
- (2) The fees, rents, <u>loan payments</u>, and charges shall be so fixed as to provide a fund sufficient to pay the principal of, and the interest on, such bonds as the same shall become due and payable and to create reserves, if any, deemed by the authority to be necessary for such purposes. The fees, rents, <u>loan payments</u>, charges, and all other revenues and proceeds derived from the project or projects in connection with which the bonds of any issue shall have been issued, except such part thereof as may be necessary for such reserves or any expenditures as may be provided in the resolution authorizing the issuance of such bonds or in the trust agreement securing the same, shall be set aside at such regular intervals as may be specified in such

263

264

265

266

267

268

269270

271272

273

274

275

276

277

278

279

280

281

282

283

284

285

286

287288

289

290

33-00198-25 202568

resolution or such trust agreement in a sinking fund which is hereby pledged to, and charged with, the payment of the principal of and the interest on such bonds as the same shall become due and the redemption price or the purchase price of bonds retired by call or purchase as therein provided. Such pledge shall be valid and binding from the time when the pledge is made. The fees, rents, loan payments, charges, and other revenues and moneys so pledged and thereafter received by the authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the authority, irrespective of whether such parties have notice thereof. The use and disposition of money to the credit of such sinking fund shall be subject to the provisions of the resolution authorizing the issuance of such bonds or of such trust agreement. Except as may otherwise be provided in the resolution or the trust agreement, the sinking fund shall be a fund for all such bonds without distinction or priority of one over another.

Section 7. Subsection (1) of section 154.235, Florida Statutes, is amended to read:

154.235 Refunding bonds.-

- (1) The authority is hereby authorized to provide for the issuance of revenue bonds for the purpose of refunding:
 - (a) Any of its revenue bonds then outstanding; and
- (b) Revenue bonds of other issuers, the proceeds of which were used to finance or refinance projects of one or more health facilities.

33-00198-25 202568

<u>Such refunds may include</u>, <u>including</u> the payment of any redemption premium thereon and any interest accrued or to accrue to the earliest or subsequent date of redemption, purchase, or maturity of such revenue bonds.

Section 8. Section 154.247, Florida Statutes, is amended to read:

154.247 Financing of projects located outside of local agency.—Notwithstanding any provision of this part to the contrary, an authority may, if it finds that there will be a benefit or a cost savings to a health facility located within its jurisdiction, issue bonds for such health facility to finance projects for such health facility, or for another private corporation or other entity or association organized not-for-profit corporation under common control with such health facility, located outside the geographical limits of the local agency or outside this state.

Section 9. This act shall take effect July 1, 2025.

THE FLORIDA SENATE



Tallahassee, Florida 32399-1100

COMMITTEES:

Criminal Justice, Chair
Appropriations Committee on Criminal and Civil
Justice, Chair
Appropriations
Appropriations Committee on Transportation,
Tourism, and Economic Development
Banking and Insurance
Rules
Transportation

SENATOR JONATHAN MARTIN

33rd District

February 4, 2025

Chair Stan McClain Committee on Community Affairs 315 Knott Building 404 South Monroe Street Tallahassee, FL 32399

RE: SB 68: Health Facilities Authorities

Dear Chair McClain:

Please allow this letter to serve as my respectful request to place SB 68, relating to Health Facilities Authorities, on the next committee agenda.

Your kind consideration of this request is greatly appreciated. Please feel free to contact my office for any additional information.

Sincerely,

Jonathan Martin Senate District 33

REPLY TO:

☐ 2000 Main Street, Suite 401, Fort Myers, Florida 33901 (239) 338-2570

□ 311 Senate Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5033

The Florida Senate BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

	Prepare	d By: The Professional Stat	ff of the Committee	on Community Affairs		
BILL:	SB 218					
INTRODUCER:	Senator Arrington					
SUBJECT:	Tax Exemption for Disabled Ex-servicemembers					
DATE:	February 2	6, 2025 REVISED:				
ANAL	YST	STAFF DIRECTOR	REFERENCE	ACTION		
1. Shuler		Fleming	CA	Pre-meeting		
2.			FT			
3.			AP			

I. Summary:

SB 218 increases the value of the ad valorem tax exemption for disabled ex-servicemembers from \$5,000 to \$10,000.

The bill takes effect July 1, 2025.

II. Present Situation:

General Overview of Property Taxation

The ad valorem tax or "property tax" is an annual tax levied by counties, municipalities, school districts, and some special districts. The tax is based on the taxable value of property as of January 1 of each year. The property appraiser annually determines the "just value" of property within the taxing authority and then applies relevant exclusions, assessment limitations, and exemptions to determine the property's "taxable value." Property tax bills are mailed in November of each year based on the previous January 1 valuation and full payment is due by March 31 of the following year. 4

¹ Both real property and tangible personal property are subject to tax. Section 192.001(12), F.S., defines "real property" as land, buildings, fixtures, and all other improvements to land. Section 192.001(11)(d), F.S., defines "tangible personal property" as all goods, chattels, and other articles of value capable of manual possession and whose chief value is intrinsic to the article itself.

² Property must be valued at "just value" for purposes of property taxation, unless the State Constitution provides otherwise. FLA. CONST. art VII, s. 4. Just value has been interpreted by the courts to mean the fair market value that a willing buyer would pay a willing seller for the property in an arm's-length transaction. *See, e.g., Walter v. Schuler,* 176 So. 2d 81 (Fla. 1965); *Deltona Corp. v. Bailey,* 336 So. 2d 1163 (Fla. 1976); *S. Bell Tel. & Tel. Co. v. Dade Cnty.,* 275 So. 2d 4 (Fla. 1973). ³ *See* ss. 192.001(2) and (16), F.S.

⁴ Sections 197.162 and 197.322, F.S.; *see also* Florida Department of Revenue, Florida Property Tax Calendar, available at: https://floridarevenue.com/property/Documents/taxcalendar.pdf (last visited Feb. 25, 2025).

The State Constitution prohibits the state from levying ad valorem taxes⁵ and limits the Legislature's authority to provide for property valuations at less than just value, unless expressly authorized.⁶

Property Tax Exemptions and Discounts for Veterans

The State Constitution provides several property tax exemptions and discounts for disabled veterans and their surviving spouses. These include:

- A veteran with a total and permanent service-connected disability is entitled to a complete exemption for property owned and used as a homestead.⁷
- A veteran with a total service-connected disability that confines him or her to a wheelchair is entitled to a complete exemption for property owned and used as a homestead. Upon the veteran's death, the exemption carries over to the veteran's unremarried surviving spouse.
- The unremarried surviving spouse of a veteran who died while on active duty is entitled to a complete exemption for property owned and used as a homestead if the veteran was a permanent resident of Florida on the day he or she died.¹⁰
- Certain combat-disabled veterans who are age 65 or older are entitled to a discount on their homestead property taxes. ¹¹ The discount is calculated as a percentage equal to the percentage of the veteran's permanent, service-connected disability. ¹² The discount is applied as a reduction to the taxable value of the homestead property. ¹³

Ad Valorem Tax Exemption for Disabled Ex-Servicemembers

Article VII, s. 3(b) of the State Constitution, requires that general law establish an exemption of property tax for widows and widowers, and persons who are blind or totally and permanently disabled. The value of these exemptions may be provided by general law, with a constitutional minimum of \$500.¹⁴ Subsections (1) and (2) of s. 196.101, F.S., exempt the total value of a homestead used and owned by a person who is totally and permanently disabled.

Section 196.24, F.S., ¹⁵ provides a \$5,000 property tax exemption to any resident exservicemember ¹⁶ who was honorably discharged and has been disabled to a degree of 10 percent

⁵ FLA. CONST. art. VII. s. 1(a).

⁶ See FLA. CONST. art. VII, s. 4.

⁷ FLA. CONST. art. VII, s. 3(b); s. 196.081, F.S.

⁸ FLA. CONST. art. VII, s. 3(b); s. 196.091(1), F.S.

⁹ Section 196.091(3), F.S.

¹⁰ FLA. CONST. art VII, s. 6(f); s. 196.081(4) F.S.

¹¹ FLA. CONST. art. VII, s. 6(e); s. 196.082, F.S.

¹² Section 196.082(2), F.S.

¹³ Section 196.082(6), F.S.

¹⁴ FLA. CONST. art. VII, s. 3(b).

¹⁵ This statutory provision was created by ch. 69-55, L.O.F. However, it was preceded by s. 192.11, F.S., as authorized by Art. IX, s. 9 of the State Constitution (1885). That provision in the constitution provided that: "There shall be exempt from taxation property to the value of five hundred dollars to every widow and to every person who is a bona fide resident of the State and has lost a limb or been disabled in war or by misfortune."

¹⁶ Section 196.012(19), F.S., defines "ex-servicemember" as any person who has served as a member of the United States Armed Forces on active duty or state active duty, a member of the Florida National Guard, or a member of the United States Reserve Forces.

or more by misfortune or while serving during a period of wartime service.¹⁷ This exemption is extended to an unremarried surviving spouse of a disabled ex-servicemember.¹⁸

III. Effect of Proposed Changes:

The bill amends s. 196.24, F.S., to increase the value of the ad valorem tax exemption for disabled ex-servicemembers from \$5,000 to \$10,000.

The bill takes effect July 1, 2025.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

Article VII, s. 18(b) of the State Constitution provides that except upon the approval of each house of the Legislature by a two-thirds vote of the membership, the Legislature may not enact, amend, or repeal any general law if the anticipated effect of doing so would be to reduce the authority that municipalities or counties have to raise revenue in the aggregate, as such authority existed on February 1, 1989. The mandate requirement does not apply to laws having an insignificant impact, ¹⁹ which for Fiscal Year 2025-2026 is forecast at approximately \$2.4 million.

The Revenue Estimating Conference has not yet adopted an impact for this bill, though it is likely this bill will have a significant negative impact on local government revenue. Therefore, this bill may be a mandate subject to the requirements of Art. VII, s. 18(b) of the State Constitution.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

Article VII, s. 19 of the State Constitution requires that legislation that increases or creates taxes or fees be passed by a 2/3 vote of each chamber in a bill with no other

http://www.flsenate.gov/PublishedContent/Session/2012/InterimReports/2012-115ca.pdf (last visited Feb. 26, 2025).

¹⁷ The U.S. Department of Veterans Affairs determines the severity of a veteran's disability based on evidence submitted by the veteran or present in the veteran's military records. This results in a disability rating from 0% to 100% in 10% increments. U.S. DEP'T. OF VETERANS AFFAIRS, *Compensation*, available at: https://www.benefits.va.gov/compensation/rates-index.asp (last visited Feb. 25, 2025).

¹⁸ Section 196.24(1), F.S.

¹⁹ FLA. CONST. art. VII, s. 18(d). An insignificant fiscal impact is the amount not greater than the average statewide population for the applicable fiscal year multiplied by \$0.10. *See* Fla. S. Comm. on Cmty. Affairs, *Interim Report 2012-115: Insignificant Impact*, (Sept. 2011), available at:

subject. The bill does not increase or create new taxes or fees. Thus, the constitutional requirements related to new or increased taxes or fees do not apply.

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

The Revenue Estimating Conference has not yet adopted an impact for this bill, but it is likely to have a significant negative impact on local government revenue.

B. Private Sector Impact:

Citizens receiving the tax exemption will benefit from its increased value.

C. Government Sector Impact:

Local governments will likely see a negative fiscal impact from increasing tax exemptions.

VI. Technical Deficiencies:

Because the bill has an effective date of July 1, 2025, property appraisers may face challenges in implementing the bill in its first year while also adhering to the state constitutional requirement for property to be assessed on January 1.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 196.24 of the Florida Statutes.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

	LEGISLATIVE ACTION	ON
Senate	•	House
	•	
	•	
	•	
	•	
The Committee on Comm	munity Affairs (Arri	ngton) recommended the
following:		
Senate Amendmen	t (with title amendm	ent)
Between lines 28	8 and 29	
insert:		
Section 2. The	amendment to s. 196	.24, Florida Statutes,
made by this act firs	st applies to the 20	26 tax roll.
====== T :	ITLE AMENDM	E N T =======
And the title is amen	nded as follows:	
Delete line 5		



11	and insert:
12	servicemembers; providing applicability; providing an
13	effective date.

By Senator Arrington

25-00737-25 2025218

A bill to be entitled

An act relating to tax exemption for disabled exservicemembers; amending s. 196.24, F.S.; increasing the value of a tax exemption for certain disabled exservicemembers; providing an effective date.

5 6 7

1

2

3

4

Be It Enacted by the Legislature of the State of Florida:

8

10

11

12

13

1415

1617

18

19

20

21

22

23

24

25

2627

28

29

Section 1. Subsection (1) of section 196.24, Florida Statutes, is amended to read:

196.24 Exemption for disabled ex-servicemember or surviving spouse; evidence of disability.—

(1) Any ex-servicemember, as defined in s. 196.012, who is a bona fide resident of the state, who was discharged under honorable conditions, and who has been disabled to a degree of 10 percent or more by misfortune or while serving during a period of wartime service as defined in s. 1.01(14) is entitled to the exemption from taxation provided for in s. 3(b), Art. VII of the State Constitution as provided in this section. Property to the value of \$10,000 \$5,000 of such a person is exempt from taxation. The production by him or her of a certificate of disability from the United States Government or the United States Department of Veterans Affairs or its predecessor before the property appraiser of the county wherein the exservicemember's property lies is prima facie evidence of the fact that he or she is entitled to the exemption. The unremarried surviving spouse of such a disabled ex-servicemember is also entitled to the exemption.

Section 2. This act shall take effect July 1, 2025.



District Office:

3 Courthouse Square Room 219 Kissimmee, FL, 34741 (407) 846-5187

Tallahassee Office: 226 Senate Building 404 S. Monroe St. Tallahassee, FL 32399-

(850) 487-5025

Staff:

Zoe Karabenick Legislative Aide

Tiffani Chavez Legislative Aide

Mariapaz Moreno OPS Legislative Aide

Monica Smith District Legislative Aide

Ana Villalobos District Legislative Aide

Committees:

Commerce & Tourism Vice Chair

Agriculture, Environment, and General Government Appropriations

Transportation, Tourism, and Economic Development Appropriations

Environment and Natural Resources

Fiscal Policy

Governmental Oversight and Accountability

Transportation

February 5, 2025

Elizabeth Fleming 315 Knott Building 404 South Monroe Street Tallahassee, FL 32399-1100

Dear Elizabeth,

I am respectfully requesting that you place SB 218 on the agenda for the next Community Affairs Committee meeting at your earliest opportunity.

SB 218, Tax Exemptions for Disabled Ex-Servicemembers, will amend Florida state law to increase the property tax exemption for disabled ex-servicemembers from \$5,000 to \$10,000. Under this new legislation, the value of tax exemptions for certain disabled ex-servicemembers will increase.

To qualify for this exemption, an ex-servicemember must be a Florida resident, have been discharged under honorable conditions, and have a disability of 10 percent or more that was either caused by misfortune or occurred during wartime service. The exemption applies to the value of the property, meaning that \$10,000 of the property's assessed value will be exempt from taxation. Veterans can prove their disability status by presenting a certificate from the United States Government or the Department of Veterans Affairs to their county property appraiser. The bill also maintains the existing provision that allows the unremarried surviving spouse of a disabled ex-servicemember to claim the same tax exemption.

If you have any questions, please do not hesitate to reach me at (407) 973-4070. Thank you for your consideration in placing SB 218 on the next committee agenda.

Respectfully,

Senator Kristen Arrington

CC: The Honorable Stan McClain, Chair The Honorable Randy Fine, Vice Chair

Email: Arrington.Kristen@flsenate.gov

The Florida Senate BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

	Prepare	d By: The P	rofessional Staff	of the Committee	on Community Affairs	
BILL:	SB 384					
INTRODUCER:	Senator Burton					
SUBJECT:	Annexing State-owned Lands					
DATE:	February 2	28, 2025	REVISED:			
ANAL	YST	STAF	DIRECTOR	REFERENCE	ACTION	
. Hackett		Flemin	ıg	CA	Pre-meeting	
···			_	EN		
				RC		

I. Summary:

SB 384 amends the procedure for municipal annexation to require a municipality to notify the local legislative delegation prior to the first public hearing on a proposal to annex state-owned lands.

The bill takes effect on July 1, 2025.

II. Present Situation:

Municipal Annexation

A municipality may propose to annex any area of contiguous, compact, unincorporated territory by ordinance or may be petitioned for annexation by owner(s) of "contiguous... and reasonably compact" real property. An area is considered "contiguous" if a substantial part of its boundary is coterminous with a part of the boundary of the municipality. An area is compact if it is concentrated in a single area and does not create enclaves, pockets, or finger areas. All lands to be annexed must be in the same county as the annexing municipality.

The governing body of a municipality may only propose annexation of an area that is contiguous, reasonably compact, and is either:⁵

• Developed for "urban purposes," which is defined as having a resident population or at least two persons per acre, having a resident population of at least one person per acre if the area is subdivided into lots where at least 60 percent of the total number of lots are 1 acre or less in

¹ Sections. 171.0413(1) and 171.044(1), F.S.

² Section 171.031(11), F.S.

³ Section 171.031(12), F.S.

⁴ Section 171.045, F.S.

⁵ Section 171.043, F.S.

size, or at least 60 percent of the total number of lots meet one of the preceding definitions and at least 60 percent of the total acreage not used for non-residential "urban purposes" is subdivided into lots of 5 acres or less;

- Lies between the municipal boundary and an area developed for "urban purposes"; or
- Adjacent, on at least 60 percent of its external boundary, to any combination of the municipal boundary and areas developed for "urban purposes."

A municipality may begin the annexation process by adopting a non-emergency ordinance. The municipality is required to hold two advertised public meetings before the adoption of the ordinance, one held on a weekday at least 7 days after the publication of the first advertisement and one held on a weekday at least 5 days after the publication of the second advertisement. At least 10 days prior to the first public meeting, the governing body of the municipality must provide written notice to all residents and property owners in the area proposed for annexation. The notice must contain the annexation proposal, the time and location of the public meeting, and locations where the proposed ordinance may be inspected by the public.

Before adopting an annexation ordinance, a municipality is required to prepare a feasibility study containing:⁸

- Plans to provide urban services to the area to be annexed;
- A map or maps of the municipality and adjacent territory showing the present and proposed municipal boundaries, the present major trunk water mains and sewer interceptors and outfalls, the proposed extensions of such mains and outfalls, and the general land use pattern in the area to be annexed;
- A statement certifying the area meets the annexation criteria specified in s. 171.043, F.S.; and
- A statement setting forth the plans of the municipality for extending to the area to be annexed each major municipal service performed within the municipality at the time of annexation.

The governing body of the municipality must file a copy of the report with the governing body of the county within 15 days of the commencement of annexation procedures. Failure to submit the report to the county in a timely manner may invalidate the annexation.

The municipality must submit the adopted annexation ordinance to a referendum in the area to be annexed. ¹⁰ The municipality may also choose to submit the ordinance to the voters of the municipality for approval. If more than 70 percent of the area to be annexed is not owned by registered voters, the municipality must obtain the consent of landowners owning at least 50 percent of the area to be annexed before conducting the referendum. ¹¹

The referendum may be conducted during the next regularly scheduled election or at a special election. The referendum must not be held until at least 30 days after the adoption of the ordinance and must be advertised in a newspaper of general circulation in the area to be

⁶ Section 171.0413(1), F.S. A non-emergency ordinance is adopted using standing procedures specified by s. 166.041, F.S.

⁷ Section 171.042(3), F.S.

⁸ Section 171.042(1), F.S.

⁹ Section 171.042(2), F.S.

¹⁰ Section 171.0413(2), F.S.

¹¹ Section 171.0413(5), F.S.

¹² Section 171.0413(2)(a), F.S.

annexed.¹³ If the referendum is approved by the voters, the annexation occurs on the effective date provided by the ordinance.¹⁴ If the voters reject annexation, the municipality may not propose annexation of the same area in the 2 years following the referendum.

If the area to be annexed has no registered electors, the area may be annexed without a referendum if the municipality obtains the consent of landowners representing both 50 percent of acreage and 50 percent of the parcels in the area be annexed.¹⁵

Alternatively, the owner(s) of real property in a contiguous, reasonably compact and unincorporated area of the county may petition a municipality for annexation. ¹⁶ The municipality must determine that all landowners in the area to be annexed have signed the petition and publish notice of the annexation before passing an ordinance annexing the area. A copy of the ordinance, including a map and a metes and bounds legal description of the area, must be filed with the clerk of the circuit court, the chief administrative officer of the county, and the Department of State within 7 days after adopting the annexation ordinance. An area may not be annexed using this process if the annexation would result in the creation of an enclave. ¹⁷

III. Effect of Proposed Changes:

Section 1 amends s. 171.0413, F.S., to provide that, upon advertising for the first public hearing on adopting an ordinance proposing to annex state-owned lands, a municipality must notify by writing or e-mail the legislative delegation of the county in which the land is located.

Sections 2 and 3 reenact ss. 101.6102 and 171.042, F.S. for the purpose of incorporation.

Section 4 provides that the bill takes effect July 1, 2025.

IV. Constitutional Issues:

 A. Municipality/County Mandates Restrict 	rictions:
--------------------------------------------------------------	-----------

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

¹³ Section 171.0413(2)(a)-(b), F.S.

¹⁴ Section 171.0413(2)(e), F.S.

¹⁵ Section 171.0413(6), F.S.

¹⁶ Section 171.044, F.S.

¹⁷ Section 171.044(5), F.S.

_	-	A 11. 11. 1	
_	()thor	('Anotitutional	
E.	Omer	Constitutional	ารธนะธ.

None identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

The bill substantially amends s. 171.0413, Florida Statutes. The bill reenacts ss. 101.6102 and 171.042, Florida Statutes.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

	LEGISLATIVE	ACTION	
Senate		House	
	•		
	•		
	•		
	•		
The Committee on Commu	nity Affairs	(Burton) recommended the	
following:			
Senate Amendment	(with title a	amendment)	
Delete line 33			
and insert:			
in writing or by e-mai.	I, notify eac	ch member of the legislative	<u> </u>
		N D M E N E	
And the title is amende		N D M E N T =================================	_
Delete lines 4 -		•	
and insert:	<u> </u>		
4110010.			



11	proposing to	o annex state-owned lands	to notify each
12	member of th	ne legislative delegation	of the county at
13	a certain ti	ime;	

By Senator Burton

12-00217-25 2025384

7 8

9

1

2

3

4

5

6

10 11

13 14

12

15 16 17

19 20

21 22

18

23 24

25

26 27 28

29

A bill to be entitled An act relating to annexing state-owned lands;

amending s. 171.0413, F.S.; requiring a municipality proposing to annex state-owned lands to notify the county legislative delegation at a certain time; reenacting ss. 101.6102(5) and 171.042, F.S., relating to mail ballot elections and limitations and prerequisites to annexation, respectively, to incorporate the amendment made to s. 171.0413, F.S., in references thereto; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Subsection (1) of section 171.0413, Florida Statutes, is amended to read:

171.0413 Annexation procedures.—Any municipality may annex contiguous, compact, unincorporated territory in the following manner:

- (1) An ordinance proposing to annex an area of contiguous, compact, unincorporated territory must shall be adopted by the governing body of the annexing municipality pursuant to the procedure for the adoption of a nonemergency ordinance established by s. 166.041.
- (a) Before Prior to the adoption of the ordinance of annexation, the local governing body shall hold at least two advertised public hearings. The first public hearing must shall be on a weekday at least 7 days after the day that the first advertisement is published. The second public hearing must shall be held on a weekday at least 5 days after the day that the

12-00217-25 2025384

second advertisement is published. Each such ordinance \underline{may} shall propose only one reasonably compact area to be annexed.

- (b) A municipality seeking to annex state-owned lands must, in writing or by e-mail, notify the county legislative delegation of the county in which the land is located when the advertisement for the first public hearing is published.
- (c) Before However, prior to the ordinance of annexation becomes becoming effective, a referendum on annexation must shall be held as set out below, and, if approved by the referendum, the ordinance shall become effective 10 days after the referendum or as otherwise provided in the ordinance, but not more than 1 year following the date of the referendum.

Section 2. For the purpose of incorporating the amendment made by this act to section 171.0413, Florida Statutes, in a reference thereto, subsection (5) of section 101.6102, Florida Statutes, is reenacted to read:

101.6102 Mail ballot elections; limitations.-

(5) Nothing in this section shall be construed to prohibit the use of a mail ballot election in a municipal annexation referendum requiring separate vote of the registered electors of the annexing municipality and of the area proposed to be annexed. If a mail ballot election is authorized for a municipal annexation referendum, the provisions of ss. 101.6101-101.6107 shall control over any conflicting provisions of s. 171.0413.

Section 3. For the purpose of incorporating the amendment made by this act to section 171.0413, Florida Statutes, in references thereto, section 171.042, Florida Statutes, is reenacted to read:

171.042 Prerequisites to annexation.

12-00217-25 2025384

(1) Before commencing the annexation procedures under s. 171.0413, the governing body of the municipality shall prepare a feasibility study setting forth the plans to provide urban services to any area to be annexed, and the feasibility study must include the following:

- (a) A map or maps of the municipality and adjacent territory showing the present and proposed municipal boundaries, the present major trunk water mains and sewer interceptors and outfalls, the proposed extensions of such mains and outfalls, as required in paragraph (c), and the general land use pattern in the area to be annexed.
- (b) A statement certifying that the area to be annexed meets the criteria in s. 171.043.
- (c) A statement setting forth the plans of the municipality for extending to the area to be annexed each major municipal service performed within the municipality at the time of annexation. Specifically, such plans must:
- 1. Provide for extending urban services except as otherwise provided in this subsection to the area to be annexed on the date of annexation on substantially the same basis and in the same manner as such services are provided within the rest of the municipality before annexation.
- 2. Provide for the extension of existing municipal water and sewer services into the area to be annexed so that, when such services are provided, property owners in the area to be annexed will be able to secure public water and sewer service according to the policies in effect in such municipality for extending water and sewer lines to individual lots or subdivisions.

12-00217-25 2025384

3. If extension of major trunk water mains and sewer mains into the area to be annexed is necessary, set forth a proposed timetable for construction of such mains as soon as possible following the effective date of annexation.

- 4. Set forth the method under which the municipality plans to finance extension of services into the area to be annexed.
- (2) Not fewer than 15 days before commencing the annexation procedures under s. 171.0413, the governing body of the municipality shall file a copy of the feasibility study required by this section with the board of county commissioners of the county in which the municipality is located. Failure to timely file the feasibility study as required in this subsection may be the basis for a cause of action to invalidate the annexation.
- (3) The governing body of the municipality shall, not less than 10 days prior to the date set for the first public hearing required by s. 171.0413(1), mail a written notice to each person who resides or owns property within the area proposed to be annexed. The notice must describe the annexation proposal, the time and place for each public hearing to be held regarding the annexation, and the place or places within the municipality where the proposed ordinance may be inspected by the public. A copy of the notice must be kept available for public inspection during the regular business hours of the office of the clerk of the governing body.
 - Section 4. This act shall take effect July 1, 2025.

THE FLORIDA SENATE



Tallahassee, Florida 32399-1100

COMMITTEES:
Health Policy, Chair
Judiciary, Vice Chair
Agriculture
Appropriations Committee on Agriculture, Environment,
and General Government
Appropriations Committee on Health
and Human Services
Banking and Insurance
Fiscal Policy

Rules

SENATOR COLLEEN BURTON

12th District

February 11, 2025

The Honorable Stan McClain 312 Senate Office Building 404 South Monroe Street Tallahassee, FL 32399

Chair McClain,

I respectfully request SB 384 Annexing State Owned Lands be placed on the Community Affairs agenda at your earliest convenience.

Thank you for your consideration.

Regards,

Colleen Burton

State Senator, District 12

Collinguita

CC: Elizabeth Fleming, Staff Director

Tatiana Warden, Committee Administrative Assistant