

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 Infrastructure and Security

BILL: SB 1610

INTRODUCER: Senator Montford and others

SUBJECT: Emergency Mitigation and Response

DATE: April 9, 2019

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Proctor	Miller	IS	Favorable
2.			ATD	
3.			AP	

I. Summary:

SB 1610 is a bill relating to Emergency Mitigation and Response, the bill:

- Creates a Hurricane Michael Recovery Task Force to review local, state and federal activities related to disaster response, recovery and mitigation and to make recommendations to the legislature regarding additional assistance needs;
- Requires the Division of Emergency Management (DEM) to conduct an after-action report on shelter operations during Hurricane Michael;
- Requires the DEM to contract to conduct a statewide study for communities’ needs for Emergency Operations Centers;
- Creates the Hurricane Housing Recovery Program within the Florida Housing Finance Corporation (FHFC) to respond to housing needs after hurricanes;
- Directs the Department of Economic Opportunity (DEO) to include a shelter retrofit or repair program as a portion of any mitigation funds received from the federal Department of Housing and Urban Development (HUD);
- Directs the DEO to include single family housing recovery programs in any funding from HUD specifically for Hurricane Michael;
- Directs the Florida Building Commission to make recommendations to strengthen and enhance the building codes for storm impacts;
- Creates a loan program for local governments and school boards to apply for to repair or restore damaged facilities;
- Expands the use of the Agricultural Loan Program, and allows for individuals affected by Hurricane Michael to apply; and
- Allows third graders advancing and seniors graduating high school to advance or graduate without meeting assessment requirements in areas impacted by Hurricane Michael;

The bill has a nonrecurring fiscal impact of \$15.3 million from the General Revenue Fund and \$300 million from the Budget Stabilization Fund.

The provisions of the bill take effect upon becoming law.

II. Present Situation:

Task Force Requirements under Section 20.03, Florida Statutes

Section 20.03(8) defines “task force” to mean an “advisory body created without specific statutory enactment for a time not to exceed one year or created by specific statutory enactment for a time not to exceed three years and appointed to study a specific problem and recommend a solution or policy alternative related to that problem.” This provision specifies that the existence of the task force terminates upon the completion of its assignment.

Statewide Public Emergency Shelters

Sections 1013.372(2) and 252.385(2)(b), F.S., requires the DEM to prepare a Statewide Emergency Shelter Plan¹ (the Plan). The Plan is a guide for local emergency planning. It also provides advisory assistance to school districts contemplating construction of educational facilities and the need to provide public shelter space within those facilities. The Plan is submitted to the Governor and Cabinet for approval by January 31 of each even-numbered year and identifies the general location and square footage of existing general population (GP) and special needs shelter (SpNS) space, by Regional Planning Council (RPC) region, and needed space during the next five years. The Plan also includes information on the availability of shelters that accept pets. In accordance with the statute, the Plan must:

- Identify the general location and square footage of existing shelters by RPC regions;
- Identify the general location and square footage of needed shelters by RPC regions for the next five years;
- Identify the types of facilities which should be constructed to comply with the public shelter design criteria; and
- Recommend an appropriate and available source of funding for the additional cost of constructing emergency shelters within those public facilities.

With publication of the 2006 Plan, the DEM began monitoring the status of the statewide inventory of SpNS. Historically, SpNS had been included in total population hurricane evacuation shelter demand estimates and hurricane evacuation shelter capacities. Given the findings from the 2004 hurricane season where about half of the designated SpNS were located in facilities that did not meet the same minimum hurricane safety criteria as GP shelters, the DEM was asked to separate the two shelter types and monitor progress towards improving SpNS hurricane safety, client capacity and provision of standby electric power supported air-conditioning.²

¹ Division of Emergency Management, *2018 Statewide Emergency Shelter Plan*, <https://www.floridadisaster.org/dem/response/infrastructure/statewide-emergency-shelter-plan/> (last visited April 5, 2019).

² Division of Emergency Management, *2018 Statewide Emergency Shelter Plan* at i.

Community Development Block Grant

The Community Development Block Grant (CDBG) Program is a federal program that provides funding for housing and community development activities. Congress created the program when it passed the Housing and Community Development Act of 1974.³

The federal HUD provides flexible grants to help cities, counties, and States recover from presidentially declared disasters, especially in low-income areas, subject to availability of supplemental appropriations. In response to presidentially declared disasters, Congress may appropriate additional funding for the CDBG Program as Disaster Recovery grants to rebuild the affected areas and provide crucial funding to start the recovery process. Since CDBG Disaster Recovery (CDBG-DR) assistance may fund a broad range of recovery activities, HUD can help communities and neighborhoods that otherwise might not recover due to limited resources.⁴

The state of Florida has currently been allocated federal funding to support disaster recovery through the CDBG-DR for the following events:

- Hurricane Irma: \$773,598,000; and
- Hurricanes Hermine and Matthew: \$117,937,000.⁵

CDBG-DR funding is designed to address housing, infrastructure and economic development needs that remain after other assistance has been exhausted, including federal assistance as well as private insurance.⁶

State Housing Initiatives Partnership Program

In 1986⁷ the Legislature found that:

- Decent, safe, and sanitary housing for individuals of very low income, low income, and moderate income is a critical need in the state;
- New and rehabilitated housing must be provided at a cost affordable to such persons in order to alleviate this critical need;
- Special programs are needed to stimulate private enterprise to build and rehabilitate housing in order to help eradicate slum conditions and provide housing for very-low-income persons, low-income persons, and moderate-income persons as a matter of public purpose; and
- Public-private partnerships are an essential means of bringing together resources to provide affordable housing.⁸

³ Department of Economic Opportunity, *Florida Small Cities Community Development Block Grant Program*, <http://www.floridajobs.org/community-planning-and-development/assistance-for-governments-and-organizations/florida-small-cities-community-development-block-grant-program> (last visited April 5, 2019).

⁴ U.S. Department of Housing and Urban Development, *Community Development Block Grant Disaster Recovery Program*, <https://www.hudexchange.info/programs/cdbg-dr/> (last visited April 5, 2019).

⁵ Department of Economic Opportunity, *Office of Disaster Recovery*, <http://www.floridajobs.org/community-planning-and-development/assistance-for-governments-and-organizations/disaster-recovery-initiative> (last visited April 5, 2019).

⁶ *Id.*

⁷ Chapter 86-192, Laws of Fla.

⁸ Section 420.6015, F.S.

As a result of these findings, the Legislature determined that legislation was urgently needed to alleviate crucial problems related to housing shortages for individuals with very low,⁹ low¹⁰ and moderate¹¹ incomes. In 1986, part VI of ch. 420, F.S., was titled as the “Florida Affordable Care Act of 1986”¹² and programs and funding mechanisms were created over the years to help remedy low-income housing issues.

The State Housing Initiatives Partnerships (SHIP) Program was created in 1992¹³ to provide funds to local governments as an incentive to create partnerships that produce and preserve affordable homeownership and multifamily housing. The program was designed to serve very-low, low, and moderate-income families and is administered by the FHFC. A dedicated funding source for this program was established by the passage of the 1992 William E. Sadowski Affordable Housing Act. The SHIP Program is funded through a statutory distribution of documentary stamp tax revenues, which are deposited into the Local Government Housing Trust Fund. Subject to specific appropriation, funds are distributed quarterly to local governments participating in the program under an established formula.¹⁴ A county or eligible municipality seeking funds from the SHIP Program must adopt an ordinance that:

- Creates a local housing assistance trust fund;
- Adopts a local housing assistance plan to be implemented through a local housing partnership;
- Designates responsibility for administering the local housing assistance plan; and
- Creates an affordable housing advisory committee.¹⁵

State Apartment Incentive Loan Program

The State Apartment Incentive Loan (SAIL) program was created by the Legislature in 1988¹⁶ for the purpose of providing first, second, or other subordinated mortgage loans or loan guarantees to sponsors, including for-profit, nonprofit, and public entities, to provide housing affordable to very-low-income persons.¹⁷

⁹ Section 420.602(12), F.S., defines “Very-low-income persons” to mean one or more natural persons or a family, not including students, the total annual adjusted gross household income of which does not exceed 50 percent of the median annual adjusted gross income for households within the state, or 50 percent of the median annual adjusted gross income for households within the metropolitan statistical area (MSA) or, if not within an MSA, within the county in which the person or family resides, whichever is greater.

¹⁰ Section 420.602(9), F.S., defines “Low-income persons” to mean one or more natural persons or a family, the total annual adjusted gross household income of which does not exceed 80 percent of the median annual adjusted gross income for households within the state, or 80 percent of the median annual adjusted gross income for households within the MSA or, if not within an MSA, within the county in which the person or family resides, whichever is greater.

¹¹ Section 420.602(10), F.S., defines “Moderate-income persons” to mean one or more natural persons or a family, the total annual adjusted gross household income of which is less than 120 percent of the median annual adjusted gross income for households within the state, or 120 percent of the median annual adjusted gross income for households within the MSA or, if not within an MSA, within the county in which the household is located, whichever is greater.

¹² Chapter 86-192, Laws of Fla., Part VI, was subsequently renamed the “Affordable Housing Planning and Community Assistance Act.” Chapter 92-317, Laws of Fla.

¹³ Chapter 92-317, Laws of Fla.

¹⁴ Section 420.9073, F.S.

¹⁵ Section 420.9072, F.S.

¹⁶ Chapter 88-376, Laws of Florida.

¹⁷ Section 420.5087, F.S.

The SAIL program provides low-interest loans on a competitive basis to affordable housing developers each year. This funding often serves to bridge the gap between the primary financing and the total cost of the development. SAIL program funds are available to individuals, public entities, and not-for-profit or for-profit organizations that propose the construction or substantial rehabilitation of multifamily units affordable to very-low-income individuals and families.¹⁸

The FHFC has the authority to make SAIL loans that exceed 25 percent of the project cost under the following circumstances:

- When the developer is a not-for-profit organization or a public entity that is able to secure grants, donations of land, or contributions from other sources;
- When the project sets aside at least 80 percent of the total units over the life of the loan for farmworkers, commercial fishing workers, homeless persons, or persons with special needs; and
- When the project serves extremely-low-income persons.¹⁹

The FHFC has the authority to forgive indebtedness for a share of a SAIL loan attributable to the units in a project reserved for extremely-low-income persons.²⁰

SAIL program funds must be distributed in a manner that meets the need and demand for very-low-income housing throughout the state. The need and demand must be determined by using the most recent statewide low-income rental housing market studies available. The SAIL program funding is reserved for use within statutorily defined counties (large, medium, and small)²¹ and for properties providing units for specified tenant groups. The University of Florida's Shimberg Center for Housing Studies prepares the rental housing market study for the Florida Finance Housing Corporation (FHFC).²²

During the first 6 months of loan or loan guarantee availability, SAIL program funds are required to be reserved for use by sponsors who provide the required housing set-aside for specified tenant groups. Under current law, the statutory requirement to reserve funds for the commercial fishing worker and farmworker household tenant group significantly exceeds the actual housing need for this group. The current statutory "cap" on the reservation for the persons with special needs (no more than 10 percent) does not allow the program to address the actual housing need for this group (13 percent) during the first 6 months of loan or loan guarantee availability.

Funding for the SAIL Program is subject to an annual appropriation.²³

¹⁸ Florida Housing Finance Corporation, *State Apartment Incentive Loan Program*, available at: <https://www.floridahousing.org/programs/developers-multifamily-programs/state-apartment-incentive-loan> (last visited April 5, 2019).

¹⁹ Section 420.507(22)(a) and (b), F.S.

²⁰ Section 420.507(22)(c), F.S.

²¹ Section 420.5087(1), F.S., provides that funds must be allocated to the following categories of counties: counties that have a population of 845,000 or more ("large"); counties that have a population of more than 100,000 but less than 825,000 ("medium"); and counties that have a population of 100,000 or less ("small").

²² Shimberg Center for Housing Studies, University of Florida, *Florida's Affordable Rental Housing Needs: An Update*, 2015, available at http://www.shimberg.ufl.edu/publications/Rental_Market_Study_Fact_Sheet_2015.pdf (last visited April 5, 2019).

²³ *Id.*

Statewide Florida Building Code

In 1974, Florida adopted a state minimum building code law requiring all local governments to adopt and enforce a building code that would ensure minimum standards for the public's health and safety. Four separate model codes were available that local governments could consider and adopt. In that system, the state's role was limited to adopting all or relevant parts of new editions of the four model codes. Local governments could amend and enforce their local codes as they desired.²⁴

When Hurricane Andrew hit South Florida in 1992, it revealed the deficiencies of the state's existing building code compliance and enforcement processes. Andrew broke all records for insurance losses, and was the direct cause of Florida's worst insurance crisis in history. It became obvious that building codes and their administration and enforcement was a statewide issue with statewide implications. Poor compliance or enforcement in a single county could wreak havoc with homeowners, developers and commercial interests in every corner of the state.²⁵

In 1996, the Florida Building Code Study Commission (Commission) was appointed to review the system of local codes created by the 1974 law, and to make recommendations for modernizing the entire system. During 16 months of study, what the Commission found was a complex and confusing patchwork system of codes and regulations, developed, amended, administered and enforced differently by more than 400 local jurisdictions and state agencies with building code responsibilities. One of the most pressing issues identified was compliance.²⁶

The Commission recommendations called for strengthened compliance through greater predictability and accountability in the building code system. The reforms proposed included a streamlined uniform family of codes, strengthened administration and enforcement of codes and enhanced compliance with codes through education, training and discipline. The 1998 Legislature adopted the Study Commission's recommendations and amended Chapter 553, F.S., Building Construction Standards to create a single minimum standard building code that is enforced by local governments. As of March 1, 2002, the Florida Building Code, which is developed and maintained by the Florida Building Commission, supersedes all local building codes. The Florida Building Code is updated every three years and may be amended annually to incorporate interpretations and clarifications.²⁷

²⁴ Florida Housing Finance Corporation, *Overview of the Florida Building Code*, <http://www.floridahousing.org/docs/default-source/aboutflorida/august2017/august2017/tab4.pdf> (last visited April 5, 2019).

²⁵ *Id.*

²⁶ *Id.*

²⁷ *Id.*

Agricultural Loan Program

In 2000, the Legislature enacted the Agricultural Economic Development Program.²⁸ This program was designed to provide loans to farmers who have experienced crop losses due to natural disasters or socio-economic events or conditions. The loans may be used to:

- Restore or replace essential physical property, such as animals, fences, equipment, structural production facilities or orchard trees;
- Pay all or part of production costs associated with the disaster year; or
- Pay essential family living expenses; and
- Restructure farm debts.²⁹

Funds may be issued as direct loans or as loan guarantees for up 90 percent of the total loan, in amounts not less than \$30,000 or more than \$300,000. Applicants must provide at least ten percent equity.³⁰

The crops eligible for the emergency loan program include:

- Crops grown for human consumption;
- Crops planted and grown for livestock consumption, including, but not limited to, grain, seed, and forage crops;
- Crops grown for fiber, except for trees; and
- Specialty crops, such as seafood and aquaculture, including, but not limited to, the products of shellfish cultivation and harvesting, ornamental fish farming, and commercial fishing; floricultural or ornamental nursery crops; Christmas trees; turf for sod; industrial crops; and seed crops used to produce eligible crops.

Florida Standards Assessment and Accountability Requirements

Florida Standards Assessment (FSA)

Florida's K-12 assessment system measures students' achievement of Florida's education standards, which were developed and implemented to ensure that all students graduate from high school ready for success. The FSA supports instruction and student learning, and test results help Florida's educational leadership and stakeholders determine whether the goals of the education system are being met.³¹ The FSA in English Language Arts, Mathematics, and end-of-course subjects (Algebra 1 and Geometry) serve Florida students by measuring education gains and progress, and also provides input into the Florida School Public Accountability Reports (SPAR).

Florida School Public Accountability Reports

The Every Student Succeeds Act (ESSA)³² was signed into law in December 2015, amending the Elementary and Secondary Education Act of 1965 and replacing No Child Left Behind

²⁸ Chapter 2000-308, Laws of Fla.

²⁹ Section 570.82(1)(a), F.S.

³⁰ Section 570.82(1)(c), F.S.

³¹ Florida Department of Education Florida Standards Assessments, *Welcome to the FSA Portal*, <https://fsassessments.org/> (last visited April 5, 2019).

³² Every Student Succeeds Act of 2015, Pub. L. No. 114-95 § 114 Stat. 1177 (2015-2016).

provisions. States were required to submit a state plan describing their approach to ESSA compliance. The DOE held a first round of public input in the summer of 2016 through an online survey, and outreach continued throughout the school year to educator associations and stakeholder groups. A superintendents' workgroup was convened to provide input on major decision points, and a draft of the state plan was posted for public comment June 30-July 31, 2017. Florida's ESSA State Plan³³ was submitted to the Governor for review, as required by the ESSA, and Florida received approval from the U.S. Department of Education on September 26, 2018.³⁴

The ESSA, Assessments under Title I, Part A & Title I, Part B:

- Advances equity by upholding critical protections for America's disadvantaged and high-need students;
- Requires that all students in America be taught to high academic standards that will prepare them to succeed in college and careers;
- Ensures that vital information is provided to educators, families, students, and communities through annual statewide assessments that measure students' progress toward those high standards;
- Helps to support and grow local innovations—including evidence-based and place-based interventions developed by local leaders and educators—consistent with our Investing in Innovation and Promise Neighborhoods;
- Sustains and expands historic investments in increasing access to high-quality preschool; and
- Maintains an expectation that there will be accountability and action to effect positive change in our lowest-performing schools, where groups of students are not making progress, and where graduation rates are low over extended periods of time.³⁵

Florida's SPARs are generated to comply with federal legislation that requires annual report cards on the educational progress of schools, school districts, and the state. The SPAR contains several types of data (indicators) designed to inform parents and the general public about the progress of Florida's public schools. The report meets public reporting requirements and provides certain additional information of interest on the status of Florida's schools.³⁶

School grades³⁷ provide an easily understandable metric to measure the performance of a school. Parents and the general public can use the school grade and its associated components to understand how well each school is serving its students. The school grading system focuses the school grading formula on student success measures:

- Achievement;
- Learning gains;
- Graduation;

³³ Florida's Approved ESSA State Plan is available at <http://www.fldoe.org/core/fileparse.php/14196/urlt/FL-ESSA-StatePlan.pdf> (last visited April 5, 2019).

³⁴ Florida Department of Education, *Every Student Succeeds Act (ESSA)*, <http://www.fldoe.org/academics/essa.stml> (last visited April 5, 2019).

³⁵ U.S. Department of Education, *Every Student Succeeds Act (ESSA)*, <https://www.ed.gov/essa?src=rn> (last visited April 5, 2019).

³⁶ Florida Department of Education, *School Public Accountability Reports*, <http://doeweb-prd.doe.state.fl.us/eds/nclbpar/index.cfm> (last visited April 5, 2019).

³⁷ The 2017-2018 School Grades are established in Rule 6A-1.09981, Florida Administrative Code and s. 1008.34, F.S.

- Acceleration success; and
- Maintaining a focus on students who need the most support.

III. Effect of Proposed Changes:

Hurricane Michael Recovery Task Force

The bill creates the Hurricane Michael Recovery Task Force as an adjunct to the DEM, to make recommendations to the Legislature regarding additional assistance needed in the response to, the recovery from, and the mitigation of the effects of Hurricane Michael in the areas designated in the federal disaster declaration DR-4399.³⁸ The task force must review the local, state, and federal activities conducted and the resources provided in such areas, the effectiveness of such efforts, and any additional assistance necessary.

The task force must consist of the following five members:

- One member representing the business community, who shall serve as chair, appointed by the Governor;
- One member representing agricultural interests, appointed by the Commissioner of the Department of Agriculture and Consumer Services;
- One member representing the fishing industry, appointed by the Fish and Wildlife Conservation Commission;
- One member representing emergency response, appointed by the executive director of the DEM; and
- One member representing housing interests, appointed by the executive director of the DEO.

Members will serve at the pleasure of their appointing official and any vacancy must be filled in the same manner as the original appointment. A member of the Legislature or a registered lobbyist may not be appointed to the task force and members will serve without compensation, but are entitled to reimbursement of travel and per diem expenses pursuant to s. 112.061, F.S., in the performance of their duties and responsibilities.

The task force will report its findings and make specific recommendations for further response, recovery, and mitigation to the President of the Senate, the Speaker of the House of Representatives, and the Governor by December 15, 2019.

The task force is dissolved not later than March 10, 2020.

Hurricane Michael After Action Report

The bill directs the DEM to examine the latest available Statewide Emergency Shelter Plan prepared pursuant to ss. 252.385 and 1013.372, F.S., to determine, based on the number of people who evacuated during Hurricane Michael, whether there is sufficient capacity of general population hurricane evacuation shelter space and of special needs hurricane evacuation shelter space in the applicable regional planning council regions.

³⁸ Designated Counties: Bay, Calhoun, Franklin, Gadsden, Gulf, Holmes, Jackson, Leon, Liberty, Taylor, Wakulla, and Washington.

The report must include basic information for each shelter activated during Hurricane Michael, including:

- Shelter type (general population, special needs, or pet friendly);
- Name;
- Address; and
- Maximum occupant capacity.

Additionally, the report must provide functional data for each shelter, including:

- Number of persons served at each shelter throughout the event;
- Timeline for opening and closing each shelter; and
- Whether each shelter had sufficient:
 - Staff;
 - Security;
 - Transportation;
 - Equipment;
 - Lavatories;
 - Sanitation;
 - Feeding capabilities;
 - Capacity; and
 - Standby or emergency power.

The report also must identify any unmet needs at each shelter and must indicate whether each shelter met or exceeded the American Red Cross Standards for Hurricane Evacuation Shelter Selection (ARC 4496),³⁹ which address risks associated with:

- Surge inundation;
- Rainfall flooding;
- High winds; and
- Hazardous materials.

The report must also identify any shelter not activated for Hurricane Michael and the basis for the determination not to activate it, such as the inability of the shelter to withstand a certain level of hurricane impact.

The report must be completed and presented to the President of the Senate, the Speaker of the House of Representatives, and the Governor by December 15, 2019.

The bill also appropriates nonrecurring funds in the sum of \$85,000 from the General Revenue Fund for the 2019-2020 fiscal year to the DEM to prepare an after-action report on the shelter operations that took place during Hurricane Michael.

³⁹ Available at the Florida Division of Emergency Management website at <https://portal.floridadisaster.org/shelters/External/Current/2018%20SRR/Appendices/Appendix%20C.pdf> (last visited April 5, 2019).

Program to Retrofit/Repair Hurricane Evacuation Shelters

The bill directs the DEO to include a program to retrofit or to repair hurricane evacuation shelters in any action plan submitted to the federal HUD for use of the funds made available under CDBG-DR Grant Number B-18-DP-12-0002 (the DR Grant) for the 2017 Hurricane Irma event, provided that federal guidance for use of the funds allows such a program. DR Grant funds generally address long-term recovery and restoration of infrastructure and housing and economic revitalization in the most impacted and distressed areas.⁴⁰

The programs and use of funds made available under the DR Grant for Hurricane Irma are outlined in the federally approved State of Florida Action Plan for Disaster Recovery⁴¹ (the plan). As outlined in the plan, the largest portion of unmet need resulting from Hurricane Irma is related to housing, particularly repair to single family homes. However, the DEO may submit an amendment to the plan for review by HUD.

Emergency Operations Centers Facilities Study

The bill appropriates nonrecurring funds in the sum of \$200,000 from the General Revenue Fund for the 2019-2020 fiscal year to the DEM to competitively procure a consultant to conduct a study of facilities used as emergency operations centers.

At a minimum, the study must assess the availability, capacity, communications capabilities, hurricane rating, and other safety conditions of such centers. The study must also assess the need for a new emergency operations center to serve one or more counties in a given region or for upgrades to existing centers.

The study must make recommendations as to how the state may best address communities' needs for emergency operations centers, or access to such centers, and necessary changes to existing centers to ensure the best possible emergency response in a region. The study may take into account the geographic locations of emergency operations centers and may recommend joint agreements for use of such centers for emergency response.

A report of the findings of the study must be completed by December 15, 2019, and presented to the President of the Senate, the Speaker of the House of Representatives, and the Governor.

Hurricane Housing Recovery Program

The bill creates s, 420.57, F.S., the Hurricane Housing Recovery Program, to provide funds to local governments for their affordable housing recovery efforts, similar to the State Housing Initiatives Partnership Program as set forth in ss. 420.907-420.9079, F.S. The FHFC will

⁴⁰ The "Most Impacted and Distressed" areas as identified by HUD for the 2017 Hurricane Irma event are Brevard, Broward, Collier, Dade, Duval, Lee, Miami-Dade, Monroe, Orange, Polk and Volusia counties and four separate zip codes outside of these areas (32136 in Flagler county, 32091 and 32068 in Bradford and Clay counties and 34266 in DeSoto county). State of Florida Action Plan for Disaster Recovery at 15, available at <http://www.floridajobs.org/docs/default-source/2015-community-development/community-revitalization/dr/stateofflactionplanfordr.pdf?sfvrsn=2> (last visited April 6, 2019).

⁴¹ State of Florida Action Plan for Disaster Recovery is available at <http://www.floridajobs.org/docs/default-source/2015-community-development/community-revitalization/dr/stateofflactionplanfordr.pdf?sfvrsn=2> (last visited April 6, 2019).

administer the program, which is subject to appropriation of funds. Notwithstanding ss. 420.9072 and 420.9073, F.S., the FHFC will allocate resources to local governments according to a need-based formula that reflects housing damage estimates and population effects resulting from hurricanes.

An eligible local government must submit a strategy outlining proposed recovery actions, household income levels, and the number of residential units to be served and an associated funding request. Program funds must be used to serve households with incomes of up to 120 percent of area median income, except that at least 30 percent of program funds must be reserved for households with incomes of up to 50 percent of area median income and an additional 30 percent of program funds must be reserved for households with incomes of up to 80 percent of area median income. Program funds must be used for each of the following purposes:

- At least sixty-five percent must be used for homeownership.
- Up to fifteen percent may be used for administrative expenses to ensure the expeditious use of funds.
- Up to one-quarter of one percent may be used by the FHFC for compliance monitoring.

Each participating local government shall submit to the FHFC an annual report on its use of funds from the Hurricane Housing Recovery Program. The FHFC will compile the reports and submit them to the President of the Senate and the Speaker of the House of Representatives.

Subject to the appropriation of funds by the Legislature for that purpose, the Rental Recovery Loan Program is created to provide funds to build additional rental housing due to impacts to the affordable housing stock and changes to the population resulting from hurricanes. The FHFC will administer the program. The program is intended to allow the state to leverage additional federal rental financing similar to the State Apartment Incentive Loan Program as described in s. 420.5087, F.S.

Each participating local government shall submit to the FHFC an annual report on its use of funds from the Rental Recovery Loan Program. The FHFC will compile the reports and submit them to the President of the Senate and the Speaker of the House of Representatives.

The FHFC may adopt rules to administer these programs.

Program to Repair, Renovate, or Replace Single-Family Housing

The bill directs the DEO to include a program to repair, renovate, or replace single-family housing in any action plan submitted to the federal HUD for use of grant funds appropriated in response to Hurricane Michael, provided that federal guidance for the use of the funds allows such a program.

Florida Building Code

The bill directs the Florida Building Commission, in consultation with the Building Officials Association of Florida, the Florida Home Builders Association, and other stakeholders, to review the effects of Hurricane Michael and make recommendations to strengthen and enhance the design, construction, and life safety provisions of the Florida Building Code, especially as they

are applied in the Florida Panhandle. Recommendations must address at least all of the following:

- The revision of design wind speed maps of the Panhandle, including county-specific design wind speed maps for each building risk category;
- The effects of flood hazard designations and the flood loads and the related effects of flood depth, of velocity, of scour/erosion, and of wave/debris;
- Storm-induced damage to power-generating stations and other public utility facilities; and
- Service disruption and building envelope breach potential for critical facilities, such as hospitals.

The Florida Building Commission must submit a final report including its recommendations to the President of the Senate and the Speaker of the House of Representatives no later than September 1, 2019.

Public Facilities Hurricane Restoration Cash Flow Loan Program

The bill establishes for the 2019-2020 fiscal year a Public Facilities Hurricane Restoration Cash Flow Loan Program. Counties, municipalities, and district school boards that need assistance with cash flow in order to make timely payments to contractors and suppliers in restoring their county, municipal, or educational facilities damaged by a named hurricane or tropical storm during the 2018 hurricane season may apply to the DEO for a cash flow loan.

The amount of the loan may not exceed the amount the county, municipality, or district school board needs to meet timely payments to contractors and suppliers for the restoration of damaged facilities. To be eligible for a cash flow loan, a county, municipality, or district school board must meet all of the following requirements:

- Have one or more county, municipal, or educational facilities damaged or destroyed by a named hurricane or tropical storm during the 2018 hurricane season;
- Have an agreement to pay contractors or suppliers for the restoration of the damaged facilities, but have insufficient cash flow to make timely payments;
- Agree to repay, from funds received from insurance claims, Federal Emergency Management Agency payments, or other fund sources, the full amount of the funds received from the cash flow loan program; and
- Agree that if repayment is not made in a timely manner, the DEO must withhold future distribution of public capital outlay funds, or other fixed capital outlay funds, until repayment is received by the DEO.

The DEO must provide information and instructions for applying for a cash flow loan and administer the loans in accordance with this act. The DEO must distribute loan funds based on the county or municipal governing body's or district superintendent's certification of the amount needed for payments that are due within the following 30 days. All funds repaid shall be deposited unallocated into the Budget Stabilization Fund within 30 days after receipt by the DEO.

The DEM will notify the DEO when payments from the Federal Emergency Management Agency for a named hurricane or tropical storm during the 2018 hurricane season have been

distributed to a county, municipality, or district school board that has received a public facilities hurricane restoration cash flow loan.

The bill appropriates nonrecurring funds in the sum of \$300 million from the Budget Stabilization Fund for the 2019-2020 fiscal year to the DEO for the sole purpose of funding the Public Facilities Hurricane Restoration Cash Flow Loan Program for eligible counties, municipalities, and district school boards in accordance with this act.

Agricultural Loan Program

The bill amends s. 570.82, F.S., to expand the use of the Agricultural Loan Program to include trees as a crop grown for fiber, and allows for individuals affected by Hurricane Michael in 2018 to apply for a loan. Loan applications must be submitted by December 1, 2019.

The bill appropriates \$15 million in nonrecurring funds from the General Revenue Fund for the Agricultural Loan Program.

Education Assessment and Accountability Requirements

This section of the bill applies only to school districts in Holmes, Washington, Bay, Jackson, Calhoun, Gulf, Liberty, Gadsden, Franklin, Wakulla, Leon, and Taylor counties.

The bill waives the statewide, standardized assessment requirements for a standard high school diploma for grade 12 high school students in their senior year during the 2018-2019 school year for school districts.

The bill requires that any grade 12 high school student who is in his or her senior year during the 2018-2019 school year and who has met the 18 or 24 credit and 2.0 GPA requirements as provided in s. 1003.4282, F.S., must be granted a standard high school diploma by his or her respective school.

The bill waives the statewide, standardized assessment for grade three promotion for the 2018-2019 school year. The promotion of grade three students must be based on the preponderance of the evidence through measures determined by each school district.

The bill requires that school grades, as established in s. 1008.34, F.S., for the 2018-2019 school year must be calculated and released for informational purposes only. School districts will be held harmless from any liability for the release of grades for informational purposes only. School grades for the 2018-2019 school year must be based on student enrollment for Surveys Two and Three match files.

The bill contains language outlining Legislative findings, "The Legislature finds that, because of the catastrophic nature of Hurricane Michael, families in school districts under this section are displaced, and the loss of housing has drastically changed the mobility of students. The Legislature also finds that, until students' housing arrangements stabilize, no method exists to capture an accurate assessment of a school's performance in the school districts. Further, the

Legislature finds that the enrollment of students for the survey request files will be a small representation of school district performance and not a true measurement of performance.”

The bill directs the DOE, upon the effective date of this act, to suspend the administration of its duties and obligations to enforce public school improvements under s. 1008.33(3), F.S., for the remainder of the 2018-2019 school year and for the 2019-2020 school year for school districts in Holmes, Washington, Bay, Jackson, Calhoun, Gulf, Liberty, Gadsden, Franklin, Wakulla, Leon, and Taylor counties.

The provisions of the bill take effect upon becoming law.

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:

None.

B. Private Sector Impact:

Individuals in need of housing assistance in areas impacted by hurricanes may benefit from the creation of the Hurricane Housing Recovery Program and the Rental Recovery Loan Program.

Recommendations made by the Florida Building Commission in their final report may impact the future cost of construction and construction materials for the private sector.

Those impacted by Hurricane Michael in 2018 who have crops of trees grown for fiber may benefit from the expansion of the Agricultural Loan Program.

C. Government Sector Impact:

The bill appropriates the following for the 2019-2020 fiscal year:

- \$85,000 in nonrecurring funds from the General Revenue Fund is appropriated to the DEM to prepare an after-action report on the shelter operations that took place during Hurricane Michael;
- \$200,000 in nonrecurring funds from the General Revenue Fund is appropriated to the DEM to competitively procure a consultant to conduct a study of facilities used as emergency operations centers; and
- \$300 million in nonrecurring funds in the Budget Stabilization Fund is appropriated to the DEO for the sole purpose of funding the Public Facilities Hurricane Restoration Cash Flow Loan Program.

The establishment of the Public Facilities Hurricane Restoration Cash Flow Loan Program may have a positive impact to counties, municipalities, and district school boards that need assistance with cash flow in order to make timely payments to contractors and suppliers in restoring their county, municipal, or educational facilities damaged by a named hurricane or tropical storm during the 2018 hurricane season. However, if an entity is unable to repay funds in a timely manner, the DEO is directed to withhold future distributions of public capital outlay funds, or other fixed capital outlay funds, until repayment is received by the DEO. This has the potential to possibly negatively impact participants in the program.

Recommendations made by the Florida Building Commission in their final report may impact the future cost of construction and construction materials for public sector construction projects.

The bill also appropriates \$15 million in nonrecurring funds from the General Revenue Fund to the Department of Agriculture and Consumer Services for the purpose of funding the Agricultural Loan Program.

VI. Technical Deficiencies:

None.

VII. Related Issues:

Allowing third graders and seniors in high school to advance or graduate without meeting assessment requirements in areas impacted by Hurricane Michael will have an unknown impact on Florida's Approved 2018 ESSA State Plan.

VIII. Statutes Affected:

This bill substantially amends sections 570.82 and 1008.33 of the Florida Statutes.
This bill creates section 420.57 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.

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