EXHIBIT A

2013 LEGISLATIVE ACTION AGENDA

Municipal Police Officer and Firefighter Pension Plans and Disability Presumptions

Legislative Priority:
The Florida League of Cities supports legislation that provides comprehensive municipal firefighter and police officer pension reform and disability presumption reform.

Background:
In 1999, the Legislature amended Chapters 175 and 185, Florida Statutes, relating to firefighter and police pensions. These changes included defining how insurance premium tax revenues had to be used in the plans. Until mid-2012, this law was administered by the Florida Department of Management Services in such a way that more than $500 million in premium tax revenues had to be used for "extra pension benefits." An extra pension benefit is defined as a pension benefit in excess of a pension benefit provided to general employees.

In 2011, the Florida Legislature took the first steps in reforming municipal pension plans when it passed SB 1128. The legislation prohibits including overtime in excess of 300 hours per year and payments for unused sick or annual leave in calculating compensation for pension purposes. Overtime up to 300 hours per year is subject to collective bargaining. The legislation also eliminated the requirement in Chapters 175 and 185 that pension benefits be increased whenever member contributions are increased.

In August 2012, the Department of Management Services began sending letters to cities that substantially revises how insurance premium tax revenues must be used in firefighter and police pension plans. In the letter, the department admits its prior interpretation of the 1999 law "appears inaccurate."

Florida Legislature has provided that health conditions relating to heart disease, hypertension or tuberculosis suffered by a firefighter, law enforcement officer or correctional officer are presumed to be job related. These "disability presumptions" are applicable to both workers' compensation and disability pension claims. Courts have interpreted the presumption laws so favorably toward these employees that cities and other government employers basically cannot overcome the presumption and show the health condition was not work related.

In 2012, the Task Force on Public Employee Disability Presumptions made findings and recommendations to the Legislature. Changes to disability presumption laws supported by a majority of Task Force members included allowing the presumption to be overcome by a preponderance of the evidence.

Economic Development

Legislative Priority:
Recognizing that 89 percent of all businesses in Florida have 12 or fewer employees, the Florida League of Cities supports legislation that dedicates to small businesses state economic development resources emphasizing technical assistance, access to capital, public infrastructure and urban infill.

Background:
Over the past two years, the Florida Legislature has focused on economic development as a way to restart Florida's economic engine and create more jobs. Getting Florida back to work continues to be a major focus of Gov. Rick Scott, who has pledged to create 700,000 permanent Florida jobs over the next seven years. As part of this effort, the Florida Department of Economic Opportunity was created with the sole purpose of coordinating economic development efforts to ensure Florida has a thriving climate for businesses that seek to start, relocate or expand in Florida.

In 2012, Gov. Scott's agenda pushed to stimulate economic growth by streamlining business permitting; providing tax relief for businesses; reforming Florida's unemployment system; restoring accountability to Florida's workforce boards; offering stability to Florida's businesses by balancing the budget without raising taxes; and prioritizing science, technology, engineering and mathematics (STEM) education in the state.

Small-business owners are the backbone of Florida's economy; however, they are often overlooked or do not qualify for existing economic development incentives. Rebuilding Florida's economy should be a "bottom up" approach that starts with local economic development and offers to retain and grow small businesses.

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Communications Services and Local Business Tax Protection

Legislative Priority:
The Florida League of Cities opposes legislation that restricts or eliminates municipal revenues generated under the communication services tax and the local business tax.

Background:
Communications Services Tax
In 2001, the Florida Legislature created the Communication Services Simplification Act, which restructured taxes on telecommunications, cable, direct-to-home satellite and related services. The law replaced and consolidated seven different state and local taxes and fees into a single tax that is composed of two parts, the state Communication Services Tax and the local Communication Services Tax. The local Communication Services Tax is one of the main sources of general revenue for municipalities, generating nearly $800 million every year for cities and counties. These revenues may be used for any public purpose, including pledging the revenues to secure bonds.

Local Business Tax
Currently, a municipality may impose a local business tax for the privilege of engaging in or managing a business, profession or occupation within its jurisdiction. The amount of the tax, as well as the occupations and businesses on which the tax is imposed, is determined by the local government. Local business tax revenues collected by local governments are used to assist in funding services critical to businesses, such as zoning, permitting, code enforcement, and police and fire services. Local governments may also use business tax revenues to help fund economic development programs, presenting a direct benefit to businesses through the marketing of local areas. Many municipalities use the business tax as general revenue funds and have pledged these revenues to secure debt. Collections for municipal local business tax revenues are more than $120 million annually.

2013 LEGISLATIVE ACTION AGENDA

Water

Legislative Priority:
The Florida League of Cities supports legislation which recognizes that diminished water quality and quantity affect existing business, future economic development, local and state government budgets, and the public health and safety. Cities must retain the necessary tools to meet their obligations and responsibilities to comply with water quality standards and water supply planning, development and source protection. These tools include the authority of local governments to adopt and implement fertilizer ordinances; the ability to cooperatively fund expanded wastewater, stormwater, potable water and surface water infrastructure; and statutory clarification of municipal authority to establish stormwater utilities and charge assessments and fees to the users of such systems, including state agencies and school boards. Further, the League supports legislation that establishes environmental, technical and scientific criteria for the protection and recovery of water resources and also assists municipalities' economic development efforts.

Background:
In January 2009, the U.S. Environmental Protection Agency (EPA) promulgated a draft rule titled "Water Quality Standards for the State of Florida's Lakes and Flowing Waters." The proposed rule was the result of a consent agreement between the EPA and several environmental groups that had filed a lawsuit alleging that the EPA had failed to enforce nutrient levels in Florida waters. The State of Florida, the League, businesses, agriculture interests and other affected parties have continued to fight EPA efforts to impose the numeric nutrient criteria that were developed by the EPA as a result of the consent agreement. Affected parties that will be forced to spend millions of dollars to comply with the EPA numeric nutrient criteria have been fighting to allow the Florida Department of Environmental Protection to set the nutrient standards. While litigation is still ongoing to determine whether or not the state or federal government will set Florida's water quality program, many areas of water policy remain uncertain and potentially harmful to municipalities. Under the federal Clean Water Act, cities bear the burden of cleaning impaired bodies of water. Because of this mandate, cities must retain the authority to regulate numerous "contributors" to poor water quality, including urban fertilizer application, in order to keep surrounding water bodies free of nutrients.

The future of our state's economic, residential and environmental welfare depends on an increased investment in Florida's water infrastructure. Municipalities are faced with aging stormwater and wastewater treatment facilities that are in desperate need of maintenance and repair. Assistance is needed to increase public and private stormwater erosion funding and consistency in statewide erosion control permitting.

Florida cities and counties have home rule authority and statutory authority to adopt stormwater regulations and create stormwater utility systems. The construction and operation of these facilities are funded through general taxation or through the imposition of user fees and special assessments. In Florida, there have been instances in which governmental entities, such as schools, have refused to pay their stormwater utility fees. The non-payment of these fees by governmental entities shifts costs to other users of the system that have already paid a fair share. The failure to pay stormwater utility fees also results in inadequate funding for maintenance and repair of these utilities, which may result in flooding and insufficient protection of the state's waterways and drinking supply from contaminates contained in stormwater runoff.

Housing Policy

Legislative Priority:
The Florida League of Cities supports legislation directing $300 million from the landmark national foreclosure settlement agreement to be used for existing local government affordable housing initiatives to meet the housing needs of the local communities.

Background:
Florida's housing market has been one of the hardest hit in the country, and Florida's cities have been at ground zero. The record number of foreclosures comes at a time when cities have encountered a decline in funding for affordable housing programs when they are needed most.

Predatory lending and servicing practices by lending institutions are to blame for many of the foreclosures. In February 2012, 49 state attorneys general were a party to a historic joint state-federal national settlement agreement with the country's five largest mortgage servicers over foreclosure abuses and unacceptable nationwide mortgage servicing practices. The settlement calls for an estimated $25 billion. Of that amount, $8.4 billion has been slated for foreclosure relief for Florida homeowners who have experienced these abuses.

The settlement agreement calls for approximately $300 million to be used for housing aid in Florida. Along with the Florida League of Cities, the Florida League of Mayors and the Florida Urban Partnership (a coalition of mayors from the state's largest metropolitan areas) have asked Attorney General Pam Bondi (with whom the settlement was reached) to direct the $300 million to existing affordable housing programs within local governments that have the highest rates of foreclosures. Florida's cities are in the unique position of having the existing capacity and administrative structures set in place to use these funds to provide the necessary relief to Florida's residents.

Energy

Legislative Priority:
The Florida League of Cities supports legislation that establishes a comprehensive statewide policy on sustainable energy development and conservation, and that incentivizes the development and implementation of renewable and alternative energy sources. In addition, the League supports legislation that authorizes the use of $192 million in Qualified Energy Conservation Bonds allocated to the State of Florida for local government energy efficiency projects.

Background:
The cost of electricity and other fuel sources to Florida's cities, residents and businesses has significantly increased in recent years, and it is likely to continue to do so. Increased costs negatively affect everyone's pocket books, as well as impact economic activity and growth. Establishing a statewide policy on energy development and conservation, as well as developing cost-effective methods to lower electric and other fuel source expenses, is critical to growing our state and local economies.

In the past, the Legislature has attempted various measures to increase renewable or alternative energy sources. The state, working with cities and other interested parties, must either provide or authorize cities to provide incentives for the development and implementation of renewable and alternative energy and transportation fuel sources.

Qualified Energy Conservation Bonds (QECBs) are federally supported tax credit bonds issued by local or state governments for energy conservation-related projects. QECBs provide an opportunity for economic development and a move toward energy efficiency. Funds from QECBs may be used for financing energy efficiency improvements, mass transportation projects, and public education programs to promote energy efficiency. Action by either the governor or Legislature is required to access the $192 million in QECBs allocated to Florida by the federal government.

Sober Homes

Legislative Priority:
The Florida League of Cities supports legislation that defines and establishes minimum regulatory standards for sober home facilities and allows for more stringent local regulations of these facilities.

Background:
Several cities, particularly those in the southern part of the state, have been experiencing problems with sober homes in residential neighborhoods. These homes are marketed as places where recovering addicts can come to "sober up." With no regulation from government agencies, setting up a sober house is as easy as renting a house to a few residents who pledge to live in sobriety and attend support groups. At times, this has resulted in poorly run houses that provide little or no supervision for recovering addicts. Law enforcement officials have seen crime increase in neighborhoods where these sober homes have proliferated. Some cities, including Delray Beach, have adopted ordinances to restrict sober houses and transient rental homes from operating in neighborhoods or single-family homes. In May, a federal judge granted an injunction against Delray Beach, saying that the city may have "unlawfully discriminated" against people in recovery when it modified its transient housing laws. The League supports efforts to clearly define sober homes in statute and allow for the local regulation of these facilities.

Transportation Funding

Legislative Priority:

The Florida League of Cities supports legislation that preserves local control of transportation planning and provides opportunities for additional revenue options to fund municipal transportation infrastructure projects.

Background:

Municipalities have limited revenue options for funding transportation projects. A major portion of transportation funding for municipalities is from the state and federal governments. Much of that funding is generated through a tax on gasoline. Recent data has shown that gas tax revenue at both the state and federal levels has decreased dramatically. The decrease in revenue is due in part to an increase in the number of fuel efficient vehicles on the road. Gas tax revenue is forecasted to continue to decrease over time as vehicles become more fuel efficient. Compounding the problem is that the federal gas tax was last increased in 1997, the state gas tax in 1943, the county gas tax in 1941, and the municipal gas tax in 1971. None of these taxes are indexed for inflation.

Faced with lower revenues from the state and federal governments, municipalities lack the options to increase revenue to fund local transportation projects. For example, charter counties currently may hold a referendum on whether to impose up to a 1 percent sales tax to fund transportation infrastructure projects. Municipalities lack such authority. This can be problematic when there are disparities between the transportation needs of municipalities versus those of the more rural areas of the county. For example, a referendum was held in Hillsborough County to enact such a tax, which was defeated countywide. However, if the election results are broken down by municipality, the residents of Tampa actually voted to approve the tax. Extending such options to municipalities would allow greater flexibility to fund their unique transportation needs.

Billboards

Legislative Priority:
The Florida League of Cities supports legislation that maintains the home rule authority of municipalities to more strictly regulate outdoor advertising. Additionally, state legislation that maintains the Federal Highway Beautification Act, as enhanced by the Florida Legislature in 1985, should be the baseline standard for regulating off-premises outdoor advertising.

Background:
In 1972, Florida enacted the Federal Highway Beautification Act's State/Federal Agreement that applied to interstate and federal-aid primary highways. This legislation was amended in 1985 to more strictly control the size, height and spacing of outdoor advertising signs. These regulations allow a municipality to more strictly regulate off-premises signage through the statutory "harmony of regulations" provision. The statute provides that the Florida Department of Transportation may not issue a permit for a sign that is prohibited by a municipal ordinance enacted through the lawful exercise of its municipal powers. This allows municipalities the home rule authority to be the ultimate regulator of signage within their boundaries and essentially "preempts" a state agency from issuing permits without municipal consent. Likewise, a municipality may not permit outdoor advertising that violates the basic state regulations.

Synthetic Drugs

Legislative Priority:
The Florida League of Cities supports legislation and the efforts of the attorney general and law enforcement to ban the manufacture, possession, distribution, purchase or sale of synthetic drugs, including without limitation, herbal incense, bath salts, synthetic marijuana and/or any cannabinoids in Florida and also encourages funding for drug abuse education.

Background:
Synthetic drugs, marketed as "bath salts," have been a national problem for the last several years. These products mimic the pharmacological effects of amphetamines, cocaine, ecstasy and other illegal drugs, but they can be easily purchased in gas stations, convenience stores, etc. During the 2011 legislative session, the Florida Legislature passed HB 39 and HB 1039, which added 11 synthetic cannabinoids or synthetic cannabinoid-mimicking compounds to Schedule 1 of Florida's controlled substance schedule, allowing law enforcement officials and prosecutors to arrest and prosecute for the possession and sale of those particular substances. Following the passage of HB 39, rogue chemists reconfigured the particular synthetic cannabinoids and synthetic cannabinoid-mimmicking compounds made illegal by HB 39 and marketed new products that were not illegal under Florida law.

During the 2012 legislative session, the Legislature passed HB 1175, which added dozens of additional synthetic cannabinoids, synthetic cannabinoid-mimicking compounds and synthetic stimulants to Schedule 1 of the Florida's controlled substance schedule. It is anticipated that drug designers and chemists will again make an effort to circumvent the law by reconfiguring the molecular structure of the outlawed compounds, resulting in a similar structure, make up and effect, but with new and different chemical compounds not listed as controlled substances. It is worth noting that Section 893.035, Florida Statutes, grants Florida's attorney general rulemaking authority to add new substances to Florida's schedules of controlled substances, but the rulemaking process takes time. Many cities and counties have chosen to act quickly and have adopted ordinances banning the sale of these substances within their jurisdictions, but have found that action needs to be taken at the state level as this has now become a statewide problem in Florida.