

A photograph of the Florida State Capitol building in Tallahassee, Florida. The building is a grand neoclassical structure with a prominent white portico supported by columns and a large dome on top. An American flag and the Florida state flag are flying from a tall pole in front of the building. The sky is clear and blue. The building is partially obscured by trees on the left and right sides.

Florida TaxWatch

2024 LEGISLATIVE SESSION WRAP-UP

MARCH 2024

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INTRODUCTION

The 2024 Florida legislative session has come to a close, with lawmakers easily finishing their work on time. And like the last three sessions, there was plenty of money available to fund new initiatives, cut taxes, and pay for an unprecedented number of local members projects.

The new budget totals \$117.5 billion, which has been described as a decrease from last year. But when all appropriations are counted, such as the \$2.3 billion appropriated in general bills, this year's total budget is an increase of more than \$1 billion, and more than \$3 billion in General Revenue. The amount of federal funds in the budget dropped by approximately \$3 billion. (*Stay tuned for our annual Taxpayers Guide to Florida's State Budget for the final, post-veto, numbers*). The Legislature was still able to leave nearly \$10 billion in total General Revenue (GR) reserves, including \$5.1 billion in unallocated GR. This is still a high-level of reserves, but the state ended FY 2022-23 with \$21.3 billion in unallocated reserves.

Despite talk of a more "austere" tax relief package, this session produced another big one. The official estimate of the savings is not final, but the total (the tax package and provisions in the budget) could reach \$1.5 billion. That total got a last-minute boost when Governor DeSantis's recommended \$450 million toll reduction, for which there was no legislation or public discussion all session, appeared in the final budget. Sales tax holidays and insurance premium discounts make up the lion's share of the rest of the tax relief.

This Legislature passed 325 bills, less than last year's 356 bills, but still the second biggest number in 17 years. Senate President Passidomo and House Speaker Renner got their priorities passed – the Live Healthy Act, public school de-regulation, and protecting children from social media and pornographic websites. The final products may not be everything the leaders wanted, but they were still significant wins. The Speaker's social media legislation was originally vetoed by the Governor before it was revised and passed again. It now awaits the Governor's final decision.

Florida TaxWatch and the state's taxpayers had a number of successes. Many bills and budget issues supported by our research and recommendations passed, including water quality planning and funding, addressing the physician shortage, and increasing health care access, promoting public-private partnerships, taxpayer-friendly tax administration, broadband expansion, school choice, a life-saving swimming lesson voucher program, and extending the State Group Health Insurance Program to Florida College System faculty and employees.

The following Legislative Wrap-Up discusses all these bills and more. It shows what passed and what did not—both issues supported by Florida TaxWatch research and other important bills we monitored all session long to keep our members and the public informed on our [Legislative Update webpage](#).

FLORIDA TAXWATCH TOP LEGISLATIVE ISSUES

The 2024 Legislature considered a considerable number of bills that were supported by Florida TaxWatch research, recommendations, and committee testimony, many of which passed. Here is a summary of what passed and what did not. More information can be found in the following sections of this Legislative Wrap-up.

PASSED

Water Resource Funding and Planning — SB 1638 creates a dedicated funding source for the Water Quality Improvement Grant Program, which prioritizes projects based on specific criteria and increases the use of science in water project selection and planning. This will help achieve the goals of our [recommended Water Project Work Program](#).

Taxes — The compromise \$900 million tax relief package contains several provisions supported by Florida TaxWatch research, including sales tax holidays, a new child care tax credit, and taxpayer-friendly tax administration provisions. The biggest tax cut is a one-year reduction in property insurance taxes and assessments (\$554.7 million). [Here is a detailed description of the tax package, including all the provisions](#).

Health Care (“Live Healthy Act”) — SB 7016 is a major health care bill designed to address existing workforce shortages and increase access to healthcare services, containing several enhancements that Florida TaxWatch has long supported. [Here is the Florida TaxWatch report on addressing the physician shortage](#).

Interstate Mobility for Physicians — SB 1600 requires the Dept. of Health to provide a pathway to licensure by endorsement for 59 health care professions. This makes it easier for out-of-state doctors to practice in Florida.

Florida College System Health Insurance — HB 5101, a budget conforming bill, contains a provision for extending the State Group Health Insurance Program to Florida College System faculty and employees, [as recommended by Florida TaxWatch](#).

Enhanced Septic Tanks — HB 1557 requires DEP to establish a process to “expeditiously” evaluate and approve enhanced nutrient-reducing onsite sewage treatment and disposal systems across the state, as [a Florida TaxWatch report recommended](#) when sewers are not feasible.

Swimming Lesson Voucher Program — SB 544 will establish a program to offer vouchers for swimming lessons to families for low-income children, providing \$500,000 to fund the program. See our report [Every Child A Swimmer](#) to see why Florida TaxWatch supports these efforts that can save children’s lives.

Public-private Partnerships — HB 781 provides an alternative process for local governments to enter public-private partnership offered by an unsolicited proposal. [Florida TaxWatch recommends](#) infrastructure proposals should be fast-tracked when a private entity is sharing the financial risks, and the project is in the public interest.

Broadband Expansion — HB 1147 will provide a four-year extension of a promotional pole attachment rate required to be offered by municipal utilities to broadband providers to provide broadband service to unserved or underserved areas. [Florida TaxWatch supports accessible and affordable broadband service for all](#).

Affordable Housing — SB 328 improves some provisions of last year’s “Live Local Act” and provides another \$100 million for the Florida TaxWatch-supported Florida Hometown Heroes mortgage down payment assistance program. Last year’s \$100 million appropriation was fully obligated in only a matter of months.

School Choice — HB 1403 increases the scholarship cap growth rate for the Family Empowerment Scholarship for students with disabilities from three percent to five percent, plus an increase of an additional one percent based on demand.

Home Health Care Services — HB 935 authorizes an advanced practice registered nurse (APRN) or a physician assistant (PA) to order or write prescriptions for Medicaid home health services. Florida TaxWatch has long-supported reasonable expansion of the scope of service for APRNs and PAs.

Rural Hospitals — SB 644 creates a new hospital designation—Rural Emergency Hospitals—that can help increase access to emergency care in rural areas and provide some rural hospitals with greater financial stability.

Vacation Rentals — SB 280 is not perfect and will likely be revisited next year, but it makes some positive changes. [Florida TaxWatch research](#) was cited twice during Senate floor debate.

PASSED

Water Quality Work Program — SSB 1638 originally included a Water Quality Work Program as recommended in [our report](#). Despite the deletion of the work program, SB 1638 still contains some very good provisions (see Water Resource Funding and Planning above).

Business Rent Tax — The original House tax package contained a one-year reduction of 0.75 percent in the sales tax on commercial leases, saving all businesses that rent property a total of \$308.7 million.

Property Tax Exemption for Surviving Spouses of Quadriplegics — HJR 53 and SJR 618 would have created proposed constitutional amendments to allow a current exemption for homes owned by quadriplegics to pass on to a surviving spouse.

Tangible Personal Property (TPP) Tax Exemption — HJR 7075 was a proposed constitutional amendment to increase the standard TPP exemption from \$25,000 to \$50,000.

Supermajority Vote to Increase Millage Rates — HB 1195 and SB 1322 would have required a two-thirds vote of a local governing body to pass any property tax millage rate increase.

Municipal Utilities — HB 1277 would have limited the portion (10%) of municipal utility revenues that may be used to fund non-utility related general government functions and limit the rates a utility can charge customers that live outside the municipality's boundaries.

TAXES

PASSED

Tax Relief — The Legislature continued its unprecedented streak of tax relief packages, passing a bill (HB 7073) with tax cuts approaching \$1 billion on the last day of session. Due to some last-minute tweaks to the bill, the estimate of total tax savings is not final. Most of the savings are non-recurring (one-time), with only approximately \$56.3 million being recurring (permanent). The largest tax relief measure is a one-year exemption in property insurance taxes and fire assessments worth \$550 million (estimate not final). Five sales tax holidays (Back to School, Disaster Preparedness (two), Tools, and "Freedom Month") are expected to save consumers \$287.7 million.

The agreement also increases the total annual cap on the Strong Families Tax Credit from \$20 million to \$40 million and creates new tax credits for hiring persons with unique abilities and providing child care for employees (the credits are each worth \$5 million annually for three years). Most of the many other provisions have a relatively low or no fiscal impact, but there are a number of positive administration provisions that are recommended or supported by Florida TaxWatch.

[Here is a detailed description of the tax package, including all the provisions. »](#)

[Here are all the exempt items and price limits for the sales tax holidays. »](#)

Toll Relief Program — After not being discussed at all during the session, the final budget emerged from conference negotiations with a \$450 million toll holiday. For twelve months (April 2024 until March 2025), customers using a Florida-issued transponder on the Turnpike and other toll facilities are eligible. Those who have 35 or more toll transactions in a month will receive a 50 percent credit. The budget appropriates \$450 million in General Revenue to reimburse the toll facilities.

Indexing the Homestead Exemption — Another measure passed this session that may provide future tax relief is HJR 7017, a proposed constitutional amendment that would require all current and future homestead exemptions that apply to all taxes, except school taxes, to be increased annually by the CPI beginning in FY 2025-26. If 60 percent of voters approve the amendment at the November 2024 General Election, it is estimated that homeowners would save \$22.8 million the first year, growing to \$111.7 million in FY 2027-28. It would also increase the current growing property tax shift from homestead to non-homestead property.

Hillsborough County Transportation Sales Tax — In 2018, Hillsborough voters approved a 1% "all-for-transportation" sales surtax. It was in effect for two years before it was invalidated by the Florida Supreme Court due to the measure's spending restrictions. Approximately \$570 million was collected and it currently sits in a state Department of Revenue trust fund. The Legislature has been debating how to resolve this issue but could not come to agreement until this session. Without public discussion all session, the final budget emerged with language on how to dispose of the money. A total of \$589.2 million (including \$19.5 million in interest earned by the state) will be distributed--\$256.4 million will go for resurfacing roads and streets in Hillsborough County; \$170.9 million will go towards legal fees, expenses, and refund claims; and \$161.9 million will be used for a local option sales tax holiday in the County.

DID NOT PASS

Business Rent Tax — The original House tax package contained a one-year reduction of 0.75 percent in the sales tax on commercial leases, saving all businesses that rent property a total of \$308.7 million. The rate is already scheduled to drop from 5.5 percent to 2.0 percent in June 2024 (the tax rate is currently temporarily at 4.5 percent). The new reduction would have decreased the tax rate from 2.0 percent to 1.25 percent for one year. The tax is unique to Florida and eliminating it is a long-standing Florida TaxWatch recommendation and our research has been key in reducing the tax from 6.0 percent to 2.0 percent. Unfortunately, this did not make the final package.

Tangible Personal Property (TPP) Tax Relief — HJR 7075 was a proposed constitutional amendment to increase the standard TPP exemption from \$25,000 to \$50,000—a longtime Florida TaxWatch recommendation. Florida TaxWatch testified in committee about the benefits of the exemption. This includes freeing 50,000, mostly small, businesses from not only paying the tax but also from the burden of filing. This in turn reduces the administrative burden of the Department of Revenue. The accompanying implementing bill (HB 7077) provided that the state would reimburse fiscally constrained counties, a provision supported by Florida TaxWatch since, in many of those counties, TPP makes up a substantial portion of the property tax base. This bill passed in the House but died in the Senate.

Property Tax Relief — This session, in addition to the two bills discussed above, the Legislature considered many bills dealing with property taxes. This includes several proposed constitutional amendments. The following property tax bills cleared at least one committee, with some being approved by one chamber. These are proposals we may see again.

- HJR 7105 is a proposed constitutional amendment to **increase the total homestead exemption from \$50,000 to \$75,000**. If approved by the voters, the addition of this exemption would have meant the first \$25,000 of a home's assessed value and the value between \$50,000 and \$100,000 would be exempt. The new exemption would not have applied to school district taxes. Although the House Ways & Means Committee approved this as a proposed committee bill on the first day of session, that is as far as it went.
- HB 1195 and SB 1322 would have **required a two-thirds vote of the governing body** of a county, municipality, or independent special district to pass any millage rate increase, except where a higher vote threshold is already required under current law. HB 1195 was approved by the full House. The Senate bill made it to its last committee but stopped there.
- HJR 53 and SJR 618 would have allowed the current total **exemption for quadriplegics to be maintained by surviving spouses**. These TaxWatch-supported bills were moving

quickly early in the session, with HJR 53 clearing all its committees unanimously and being placed on the Calendar in January. However, the legislation stalled in both chambers.

- HB 7074 – The Senate tax package included an increase in the ad valorem tax **exemption for disabled ex-service members from \$5,000 to \$10,000**. The veteran must be a resident of the state, who was honorably discharged, and who has been disabled to a degree of 10 percent or more by misfortune or while serving during a period of wartime. This change does not require a constitutional amendment because the Florida Constitution already authorizes an exemption of at least \$500. This provision did not make the final package.
- SJR 1560 proposed an amendment to permit the legislature to provide ad valorem tax relief for **tangible personal property on agricultural land**. The resolution passed the Senate but died in messages in the House.
- SJR 976 proposed a constitutional amendment to allow a county to provide ad valorem tax relief to portions of homestead property that are used as **living quarters for parents or grandparents**. The Senate resolution passed one committee.
- SJR 1686 proposed a constitutional amendment to provide an additional \$10,000 exemption to any **veteran or surviving spouse that received the purple heart** or any of nine other medals. The resolution made it to its last committee, but it did not pass.
- HB 1371 would have required the Office of Policy Analysis and Government Accountability (OPPAGA) to **study the potential impact of eliminating all property tax** and replacing the lost revenue with a consumption tax. It reached its last committee.

Sales Tax Collection Allowance — For maintaining records and properly reporting and remitting sales tax, businesses that sell taxable goods and services may keep 2.5 percent of the first \$1,200 in collections (\$30) for each return. The original Senate tax package (SB 7074) would have increased the collection allowance to flat \$45 per return. Depending on the amount of sales taxes collected by a dealer, filing frequencies can be monthly, quarterly, semiannually, or annually. Each location of a consolidated filer may claim the allowance. If the amount of tax due is less than \$45, the allowance would be limited to the amount of tax due. This would have saved Florida retailers (many small businesses) \$113.5 million annually. This did not make the final bill, presumably to make room for toll reductions.

Local Business Taxes — HB 609 would have limited the amount of revenue a local government may receive from local business taxes to the amount collected in the local Fiscal Year 2022-23 or 2023-24, whichever is greater. If a local government receives more tax revenue than it did in the base year, the local government must proportionally reduce its tax rates and issue refunds or credits to taxpayers. The limits would not apply to fiscally constrained counties. The original version of the bill would have repealed local business taxes entirely. HB 609 made it to the House floor.

Value Adjustment Boards (VAB) — HB 1649—the “Taxpayer Empowerment Act”— would have provided that a property appraiser must initiate an appeal of VAB decisions within 30 days of the decision, as opposed to within 30 days of final certification of tax rolls. The bill would have also provided two new types of appeals the VAB may hear-- the validity or amount of assessed back taxes and whether a tangible personal property return was timely filed for the purposes of contesting related assessments and waiving penalties. Further, if an error is made in the assessment of homestead property by the property appraiser, the just and assessed value will be recalculated from the year of the mistake, but the recalculated value will first apply in the year the error was discovered, and the property owner will not be liable for back taxes. The original version of the bill would have allowed low-income individuals to rent out their home but retain a homestead exemption. Some of the bill’s other provisions relating to when back taxes are due, were included in the final tax package. It was estimated that the VAB provisions could have saved taxpayers approximately \$30 million annually.

ECONOMIC DEVELOPMENT AND HOUSING

PASSED

Affordable Housing/Hometown Heroes — SB 328 provides another \$100 million for the Florida Hometown Heroes down payment assistance program, which is supported by Florida TaxWatch. Last year’s \$100 million appropriation was fully obligated in only a matter of months, assisting over 6,400 families and leveraging approximately \$2 billion in first mortgages. The bill also serves as a “glitch bill” for last year’s “Live Local Act,” which put \$711 million into the state’s affordable/workforce housing efforts and incentivized private investment. SB 328 amends parts of that Act to provide clarification and address concerns of both local government and developers.

Broadband — HB 1147 will provide a four-year extension of a promotional pole attachment rate required to be offered by municipal utilities to broadband providers to provide broadband service to unserved or underserved areas. The promotional rate of \$1 per wireline attachment per pole will help make broadband service available statewide. [Florida TaxWatch supports accessible and affordable broadband service for all.](#) Florida TaxWatch provided testimony at both the House and Senate committee stops.

Rural Economic Development — HB 141 eliminates several requirements related to the Regional Rural Development Grants Program. Grants to regional development organizations no longer must be matched (25 percent) each year by nonstate sources. Local governments and private businesses will not have to make financial or in-kind commitments to the regional organization and the Department of Commerce will no longer have to consider the demonstrated need of the applicant for assistance when approving participants for the program. This bill passed unanimously in both chambers.

Local Government Ordinances — Cities and counties are required to complete a business impact statement prior to adopting an ordinance. Current law exempts the entirety of growth policy, county and municipal planning, and land development regulations. SB 1628 limits this exemption to development orders, permits, and agreements, therefore requiring a business impact statement prior to adopting and implementing a comprehensive plan amendment or land development regulation. This does not apply to amendments initiated by a private party.

Department of Commerce (DCM) — SB 1420 make numerous changes impacting DCM, including creating a Supply Chain Innovation Grant Program. Grant recipients will be jointly selected by DCM and the Department of Transportation. The bill also extends the repayment period of the Local Government Emergency Revolving Bridge Loan Program from 5 to 10 years, including existing loans. The term “businesses” is also revised to include healthcare facilities and provides that they are eligible for the funding under the Incumbent Worker Training Program.

HEALTH, CHILDREN, AND AGING

PASSED

“Live Healthy Act” — SB 7016 is a major health care bill and top priority of Senate President Passidomo. The legislation addresses existing health workforce shortages and increases access to healthcare services. The bill will increase medical residency opportunities, encourage out-of-state physicians to practice in Florida, and expand telehealth access, all of which Florida TaxWatch has long supported. [See this Florida TaxWatch report on addressing the physician shortage.](#) The bill also facilitates joining the Interstate Medical Licensure Compact, Audiology and Speech-Language Pathology Interstate Compact, and Physical Therapy Licensure Compact. These amendments are intended to increase health care access by allowing physicians to practice in multiple states. The bill carries a \$717 million appropriation.

Health Care Innovation — SB 7018 will create a revolving loan program within the Florida Department of Health to provide low-interest loans to applicants attempting to implement innovative technologies, workforce development, or service delivery models, with more funding available for projects that will support rural or medically underserved areas. The bill establishes the Health Care Innovation Council to recommend best practices and create criteria and review applications for the revolving loan program. The bill appropriates \$50 million each year through FY 2033-34 to the program.

Interstate Mobility for Physicians — The physician shortage is a national crisis, but Florida’s needs are especially dire. Another bill to address this is SB 1600, which requires the Department of Health to provide a pathway to licensure by endorsement for any of the 59 health care professions. It regulates and ensures the process is swift, requiring the license or certificate to be issued within seven days of receipt of all required documentation. This is consistent with the Florida TaxWatch recommendations to address the shortfall.

Swimming Lesson Voucher Program — SB 544 will establish a program in the Department of Health to offer vouchers for swimming lessons to families with an income of up to 200 percent of the federal poverty level that have one or more children under four years of age. The bill provides \$500,000 to fund the program. This builds on legislation passed in 2021 that requires schools to provide parents with information on the importance of swimming instruction and local options for lessons. See our report [Every Child A Swimmer](#) to see why Florida TaxWatch supports these efforts.

Home Health Care Services — HB 935 authorizes an advanced practice registered nurse (APRN) or a physician assistant (PA) to order or write prescriptions for Medicaid home health services. Prior to the pandemic, federal law prohibited this. Florida TaxWatch research has long-supported reasonable expansion of the scope of service for APRNs and PAs.

Rural Hospitals — SB 644 creates a new hospital designation--Rural Emergency Hospitals (RHE). RHEs are subject to requirements that include providing emergency, laboratory, radiological, pharmaceutical, and outpatient medical and health services and having 24-hour nursing service. Federal law allows RHE hospitals to receive five percent over the normal Medicaid reimbursement and also receive a monthly facility payment of \$270,000. This bill can help increase access to emergency care in rural areas and provide some rural hospitals with greater financial stability.

EDUCATION

PASSED

Public Schools Deregulation — The Senate quickly moved on a set of three bills designed to “cut red tape” and “reduce bureaucracy” in public schools, passing them all unanimously during the first week of session. The House has some different ideas, and an agreement was not reached until the last week of session. While some of the Senate provisions were taken out of the final bills (see Did Not Pass below), the two bills that passed contained many good changes. SB 7004 gives school districts more flexibility in meeting requirements related to operations, personnel, facilities, and finances, and requires less reporting. Examples include allowing school boards to use advanced degrees for salary adjustments and to adopt their own policies relating to mentors and support for first-time teachers. Collective bargaining will not be allowed to block school district practices like providing incentives for highly effective teachers, implementing school safety plans, and corresponding with parents. SB 7002 also reduces reporting and makes changes relating to instructional materials, early learning, student progression, and virtual education. [\(See all provisions in both bills here\).](#)

School Choice — HB 1403 makes changes to the state’s school choice programs, including increasing the scholarship cap growth rate for the Family Empowerment Scholarship for students with disabilities from three percent to five percent, plus an increase of an additional one percent based on demand. The bill shifts the scholarship funding portion (tax credits) of the Hope Scholarship Program to the Florida Tax Credit Scholarship program. The changes are supported by Florida TaxWatch.

Omnibus Education Bill — HB 1285 makes a multitude of changes impacting Florida’s public schools and postsecondary institutions, including new provisions for charter schools, virtual instruction programs, and classical schools. School districts will be authorized to assign disruptive students to a disciplinary program or alternative-to-expulsion program. International Baccalaureate teachers will receive a \$50 bonus for each student they teach who received a score of "C" or higher on an International Baccalaureate Theory of Knowledge examination. The bill repeals the college system’s Institution Employment Equity Accountability Program and creates the Office of the Ocean Economy in the university system. [See all provisions.](#)

Workforce Education — SB 7032 creates the Graduation Alternative to Traditional Education (GATE) Program which offers an alternative option with full funding for individuals who have withdrawn from high school to enter and complete a career education program or a workforce certificate, while still competing a high school diploma or equivalent credential.

New Worlds Scholarships — HB 1361 makes changes concerning the New Worlds Reading Initiative and the New World Scholarship Program, including expanding the scholarship program to Voluntary Prekindergarten students experiencing math and literacy challenges. The Lastinger Center for Learning at the University of Florida was established as the administrator of these programs, and the New Worlds Tutoring Program is created at the Center. The bill also makes a recurring appropriation of \$2 million for the Center to administer a new grant program for artificial intelligence learning platforms in order to improve outcomes and reduce teacher workload.

Reading Achievement Initiative for Scholastic Excellence (RAISE) — SB 46 allows school districts that participate in the tutoring program section of the program to establish after school programs and provide stipends to instructors and high school students serving as tutors. Unpaid hours related to the program still qualify towards high school and the Florida Bright Futures Scholarship community service requirements under this bill.

Career-Themed Courses — SB 1688 will improve the strategic planning and information dissemination for career-themed courses in Florida to better align educational offerings with workforce needs and improve student awareness and participation in these programs. It requires information to be given to students and parents in middle school regarding career-themed courses in the district. It requires that career and technical education be included in the school district’s strategic 3-year plan and directs DOE to collect and report data on student achievement in an annual CTE review.

Career and Technical Education (CTE) — HB 917 authorizes district school boards to consult with local workforce development boards and business groups to determine free or cost-effective methods to provide secondary students with other career and industry networking opportunities, during the school day, and exposure for elementary and secondary students to a representative variety of industries, businesses, and careers. Students who earn credit for one year of related technical instruction for a registered apprenticeship or pre-apprenticeship program can use such credit to satisfy high school graduation credit requirements. The bill repeals the Talent Development Council and requires a study of the status of CTE in all school districts and a study on the supply and demand of nursing occupations. This bill was one of the more controversial of the 2024 session due to a provision that will allow minors aged 16 and 17 to work in residential construction if certain requirements and safeguards are met.

History of Communism — SB 1264 requires instruction in private schools on the history of communism that is age and developmentally appropriate. It also created the Institute for Freedom in the Americas within Miami-Dade College to preserve the ideals of a free society and promote democracy.

School Safety — HB 1473 establishes new school perimeter and door safety requirements for school districts and charter school governing boards and requires the Office of Safe Schools to develop and adopt a Florida school safety compliance inspection report and triennial unannounced inspections of all public schools. A bonus program is created to award schools in full compliance.

Music Education — HB 537 establishes a two-year pilot program in Alachua, Marion, and Miami-Dade counties that uses music-based materials in STEM courses for middle school students. The materials must be used by teachers certified to teach mathematics. The pilot school districts will receive \$6 per student. Subject to legislative appropriation, DOE can approve counties to participate in the program if they qualify and funding is available.

Treating Students with Asthma — HB 883 provides a framework for public and private schools to treat students with asthma or who are otherwise in respiratory distress. Trained staff will be allowed to administer short-acting bronchodilators to students in respiratory distress and includes civil immunity for good-faith administration. Schools may acquire and safely maintain a supply of bronchodilators.

DID NOT PASS

High-stakes Testing — The Senate’s version of school deregulation included dropping Algebra 1 and the 10th grade reading and language arts assessments as must-pass exams for students to graduate high school. The House was opposed, and this provision was not included in the final bill.

Third Grade Retention — The Senate bill also included a proposal that would have eliminated holding third graders back if they cannot pass the state reading exam. Instead, parents would be able to decide on advancement to fourth grade. This was also stricken from the bill.

Computer Science Education — SB 1344 and HB 483 would have established the AI in Education Task Force within the Department of Education (DOE) to evaluate the potential applications of artificial intelligence in K-12 and higher education and to develop policy recommendations. Additionally, the bills required DOE to adopt and publish a strategic plan for a statewide computer science education program, including a summary of the current K-12 computer science state landscape, a plan for expanding flexible options to license computer science teachers, and a plan for expanding computer science education opportunities to every school in the state.

School Readiness — HB 929 revises the term “economically disadvantaged” as used in the school readiness program to increase the number of eligible kids for childcare and early learning subsidies. It would change from family income of 150 percent of the federal poverty level to having a family income that does not exceed 55 percent of the state median income. This would provide subsidies to 10,131 more kids. The Department of Education would be required to annually collect cost data and submit it to the Legislature. The bill appropriates \$175 million from the Child Care Development Block Grant Trust fund for the additional students and increases provider rates based on the new data. HB 929 made it to the Calendar, but a comparable Senate bill did not get out of committee.

Student Achievement — HB 537 would have eliminated the certificate of completion as an option for students that have sufficient high school credits but fail to meet the standardized assessment or GPA requirements for graduation with a standard high school diploma. The bill would have still allowed a student that fails to pass the required assessments or achieve a 2.0 GPA to remain in high school up to one additional year and receive special instruction designed to remedy identified deficiencies.

Bright Futures — HB 895 would have required each public high school to establish a Bright Futures Scholarship mentorship program. The mentorship program must provide students with access to a certified school counselor and information regarding the Bright Futures Scholarship program. The bill also allowed for the connection of students with mentors who are former recipients of a Florida Bright Futures.

ENVIRONMENT

PASSED

Funding for Environmental Resource Management — SB 1638 dedicates 96 percent of the revenue from the Seminole Gaming Compact to fund conservation land acquisition, land management, the Statewide Flooding and Sea Level Rise Resilience Plan, and the Water Quality Improvement Grant Program. Language to create a multi-year Water Project Work Program (see below), [as recommended by Florida TaxWatch](#), has been removed, but the bill still contains good provisions. It creates a dedicated funding source for the Water Quality Improvement Grant Programs, which prioritizes projects based on specific criteria. Florida TaxWatch finds that this is consistent with the goals of our recommended Water Project Work Program. A new estimate by the Revenue Estimating Conference predicts much more revenue will be produced by the Seminole Compact than previously thought, meaning much more funding for this important initiative.

Septic Tanks — A [Florida TaxWatch report](#) supported septic to sewer conversions and recommended that when sewer is not feasible, enhanced, nutrient-reducing technology for septic tanks should be prioritized. HB 1557 requires the Department of Environmental Protection to establish a process to “expeditiously” evaluate and approve enhanced nutrient-reducing onsite sewage treatment and disposal systems across the state. Conventional septic tanks can only remove 30 percent of nitrogen present in wastewater, with the rest flowing into groundwater. Advanced septic tanks can reduce up to 70 percent nitrogen. The bill also contains other provisions that can also improve water quality.

Mitigation — SB 1532 expands the water quality enhancement credit program to allow private entities to purchase credits. Credits may be sold to governmental entities seeking to meet an assigned basin management action plan or private or governmental applicants for the purpose of meeting environmental resource permit performance standards. The bill allows limited use of local government land for private mitigation banks, provided that they are located in credit-deficient basins and would produce certain habitat type credits that are unavailable or insufficient in such basins.

Red Tide Mitigation — HB 1565 makes the Florida Red Tide Mitigation and Technology Development Initiative permanent, removing the June 30, 2025, expiration date. The initiative will develop field trials for red tide mitigation approaches and technologies.

DID NOT PASS

Water Quality Work Program — This was one of Florida TaxWatch’s top legislative priorities. SB 1638 originally included a multi-year Water Project Work Program with a dedicated funding source, as recommended in our report Florida has been making large investments in the state’s vital water resources. But inconsistent funding, separate avenues for funding, and the large number of member-requested water projects makes coordinated statewide planning difficult and does not ensure that the best projects are selected for funding. Florida TaxWatch believes that selection should be competitive, with each project evaluated and prioritized using an established set of measurable criteria. A data-driven process, based on science, can ensure the projects with the best return-on-investment are chosen. This is what a Water Project Work Program can accomplish. Florida TaxWatch appeared before the Appropriations Committee on Agriculture, Environment, and General Government to talk about the value of this provision. The bill passed unanimously, but the provision was later amended out. There is a lot of support for the idea but there is also a perception that more time is needed to develop it. Florida TaxWatch will continue working on this. Despite the deletion of the work program, SB 1638 still contains some very good provisions (see Funding for Environmental Resource Management above).

Carbon Sequestration — HB 1187 and SB 1258 would have created the Carbon Sequestration Task Force under the Department of Environmental Protection. This task force is intended to focus on how land uses in Florida impact carbon sequestration processes. The task force will submit a report with findings and recommendations to monitor and support carbon sequestration to the Governor and Legislature by October 1, 2026. The 2020 Florida TaxWatch report, [“We Can’t Wait on Water: The Restoration and Protection of Florida’s Water Resources is an Essential Taxpayer Investment”](#) included information on the value of carbon sequestration and the value of mangroves in that process. Both bills passed their first committee but then stalled.

Mangrove Replanting and Restoration — In addition to being very good at carbon sequestration, mangroves protect shorelines from storms, waves, and floods, play a significant ecological role as habitats for an array of species, and produce the highest quality seagrass beds. The bill requires DEP to adopt rules for mangrove replanting and restoration. HB 1581 and SB 32 direct DEP to conduct a statewide feasibility study to determine the value of mangroves and other nature-based solutions for coastal flood risk reduction to reduce insurance premiums and improve local governments’ community ratings in the National Flood Insurance Program Community Rating System. HB 1581 passed the House but died, along with SB 32, in Senate Rules.

Waste Reduction and Recycling Plan — HB 455 and SB 36 would have mandated the Department of Environmental Protection to develop a comprehensive waste reduction and recycling plan by July 1, 2025, incorporating recommendations from its earlier report.

TRANSPORTATION AND INFRASTRUCTURE

PASSED

Public-private Partnership — HB 781 provides an alternative process for local governments to enter public-private partnerships offered by an unsolicited proposal. The competitive procurement process can be bypassed if a public meeting is held at which the proposal is presented; there is an opportunity for public comments; and it is determined that the proposal is in the public’s interest. Government procurement moves slowly, and Florida TaxWatch [recommends](#) infrastructure proposals should be fast-tracked when a private entity is sharing the financial risks and the project is in the public interest.

Broadband — HB 1147 will provide a four-year extension of a promotional pole attachment rate required to be offered by municipal utilities to broadband providers to provide broadband service to unserved or underserved areas. The promotional rate of \$1 per wireline attachment per pole will help make broadband service available statewide. [Florida TaxWatch supports accessible and affordable broadband service for all.](#) Florida TaxWatch provided testimony at both the House and Senate committee stops.

Department of Transportation (DOT) — HB 1301 contains a number of provisions relating to DOT and transportation, including allowing DOT to enter into a contract with the DOT Financing Corporation to finance projects identified in the Moving Florida Forward Infrastructure Initiative in the Work Program. Other provisions include creating a Supply Chain Innovation Grant Program and changing the time a prepaid toll account can remain dormant from three years to ten.

DID NOT PASS

Impact of Electric Vehicles on State Revenues — Florida has the second-highest number of registered electric vehicles (EVs) in the nation and does not currently impose additional registration fees, excise taxes, or user charges on EVs. To examine the impacts EVs will have on state tax collections and transportation funding, HB 107 would have required the Office of Economic and Demographic Research (EDR) to estimate the long-term impact on the State Transportation Trust Fund (STTF), the impact on sales tax and gross receipts tax revenues expected to result from the continuing adoption of EVs in the state, and the percentage of users that use residential charging

stations rather than commercial charging stations. The bill would have also required the Revenue Estimating Conference (REC) to estimate the impact on sales tax levied on the sale of electricity that is used to charge EVs. Beginning July 2024, the bill directed the Department of Revenue to distribute to the STTF one-twelfth of the amount estimated for that state fiscal year. This bill made it to the House floor.

Electric Vehicle Taxes — SB 28 would have imposed an additional annual license tax of \$200 on electric vehicles and \$25 for electric motorcycles, increasing to \$250 and \$35 in 2029. It would also impose a license tax of \$50 on plug-in hybrid electric vehicles and \$10 for electric motorcycles, increasing to \$100 and \$20 in 2029. It would allocate 64 percent of the proceeds from these taxes to the State Transportation Trust Fund and 36 percent to counties for transportation expenditures. This would have expired on June 30, 2034.

DOT Landscaping Costs — The original versions of SB 1226 and HB 1301 contained a good provision that could have saved money on transportation landscaping by eliminating the requirement that at least 1.5 percent of the amount contracted for construction projects must be allocated for the purchase of plant materials. Instead, a tiered system would be created where the percentage that must be spent on landscaping decreases as the price tag for the contract increases. This could avoid unnecessarily expensive landscaping costs and ensure more taxpayer dollars go towards the actual transportation project. This provision was amended out of both bills.

INSURANCE

PASSED

My Safe Florida Home Program — This program, reestablished by the Legislature in 2022, provides financial incentives for Florida residential property owners to obtain free home inspections which identify hurricane mitigation measures and provide mitigation grants to retrofit such properties, with the goal of decreasing the cost of property insurance. SB 7028 provides \$200 million for the program and revises the application process and eligibility requirements. Grant approval under the bill would prioritize older and lower-income applicants. The current authorization for matching grants to local governments and non-profit organizations is removed. Doors, garage doors, windows, and skylights, are specified as eligible improvements. The bill was amended just before passage to increase the appropriation from \$107 million to \$200 million.

My Safe Florida Condominium Pilot Program — HB 1029 creates a new program, similar to the My Safe Florida Home Program, to provide to condominium associations within 15 miles of the coastline a program for owners of site-built, single-family, residential properties to apply for inspections and mitigation grants.

Citizens Property Insurance (Surplus Lines) — HB 1503 will, for the first time, allow surplus lines insurers to take policies out of Citizens. These are insurers that are not regulated by the state and do not pay into the Florida Insurance Guaranty Association, which guarantees claims will be paid if the insurer goes out of business. Only the 77,000 second homes currently in Citizens would be eligible to be taken out. If an eligible homeowner gets an offer from a surplus line that is within 20 percent of the premium, they would have to leave Citizens. The surplus lines insurer would have to have at least an “A-” rating and the state would have to approve the surplus line premium.

Insurance — HB 1611 makes numerous changes to insurance regulations, including requiring more detailed reporting. It would also change when an authorized insurer may cancel personal residential or commercial residential property insurance policies on properties with unrepaired damage and eliminate the separate timeframes for authorized insurers to cancel personal residential or commercial residential policies following losses due to hurricane and wind and all other covered perils. It would also establish standards for cancellation and nonrenewal of such policies issued by surplus lines insurers.

DID NOT PASS

Citizens Property Insurance (Eligibility) — Currently, a home must have a replacement value of less than \$700,000 in order to qualify for Citizens. SB 1106 would have increased that cap to less than \$1 million. Rates for Citizens coverage must be actuarially sound and not competitive with approved rates in the voluntary market. To help ensure Citizens' rates on such policies are not competitive, after the next annual rate filing, such rates would be subject to an additional surcharge of the lesser of \$2,500 or 25 percent of the Citizens' rate for the policy.

BUDGET

The budget conference produced a \$117.5 billion General Appropriations Act (actual spending this session is much more than that). The budget has a higher price tag than the House and Senate's respective original \$115.4 billion and \$115.9 billion spending plans. The new budget has been described as a decrease from last year, but when all appropriations are counted, such as the \$2.3 billion that is appropriated in 21 general bills, this year's total budget is an increase of more than \$1 billion, more than \$3 billion in General Revenue. The amount of federal funds in the budget dropped by approximately \$3 billion. These appropriations made in other bills include \$717 million for the Live Healthy Act, \$536 million for environmental management, \$313 million for behavioral health teaching hospitals, and \$200 million for the My Safe Florida Home Program.

Of course, the budget was not finished until the chairs "sprinkled" an additional \$653 million over it by accepting each other's Supplemental Funding Initiatives (the "sprinkle lists") as the very last act of the budget process. [This practice, which has become standard, needs to change.](#)

Some new issues popped up in the final budget, including a \$450 million toll holiday and a plan for returning the more than one-half billion dollars collected from Hillsborough County's transportation sales tax before it was struck down by the state Supreme Court.

Reserves — The Legislature left nearly \$10 billion in total General Revenue (GR) reserves. There is \$5.1 billion in unallocated GR, \$4.4 billion in the Budget Stabilization Fund (\$300 billion added), and \$500 million in the Emergency Preparedness and Response Fund. This is still a high-level of reserves, but the state ended FY 2022-23 with \$21.3 billion in unallocated reserves, which highlights how much money has been spent.

Paying Down State Debt — The budget uses \$500 million to reduce outstanding state bonds and achieve debt service savings. This includes \$255 million in transportation and turnpike bonds. Florida TaxWatch has recommended using some of the surpluses the state has been enjoying for this and commends the Governor and Legislature for their commitment to retiring debt.

State Employee Pay Raises — The budget includes a 3.0 percent across-the-board pay raise for state employees. In addition to the across-the-board increase, targeted pay hikes were provided to Department of Law Enforcement Special Agents and some employees in the Agency for Health Care Administration and the Department of Agriculture & Consumer Services.

Public Schools (FEFP) — Total funding for the Florida Education Finance Program is \$28.4 billion, including \$12.9 billion in local funds, a total increase of 6.7 percent. Per student funding increased from \$8,719 to \$8,959, a 2.75% increase. The Base Student Allocation increases by 7.2 percent and includes \$1.25 billion (\$201 million increase) for teacher pay increases. The Legislature also provided increases in the Safe Schools (\$40 million), Mental Health (\$20 million), and Reading Instruction (\$40 million) allocations.

Higher Education — Total funding for colleges is close to last year's amount and universities are getting an approximate \$400 million increase. Colleges and universities will also get \$750 million for construction projects.

Medicaid — With the number of people in Medicaid dropping by 4.9 percent, total Medicaid/TANF appropriations of \$35.5 billion is slightly less than the previous budget. But with the enhanced federal funding from the pandemic decreasing, the budget appropriates slightly more

state funds than last year. Not included in that total is \$241.6 million to cover a deficit in FY 2023-24. Funding includes provider rate increases of \$333.1 million and \$38.4 million for the Comprehensive Intellectual and Developmental Disabilities Managed Care Pilot Program. The Program of All-Inclusive Care for the Elderly (PACE) will get 800 new slots (\$29.7 million) and \$64.8 million is provided for the Home and Community Based Services Waiver waitlist.

Department of Children and Families — Increases are provided for:

- Independent Living Programs Eligibility Expansion - \$8.1 million
- Adoption Incentive Benefit Increase and Eligibility Expansion - \$9.4 million
- Adoption, Guardianship, and Foster Care Subsidies - \$26.4 million
- Opioid Settlement - Treatment, Prevention, and Recovery Services - \$83.9 million
- State Mental Health Treatment Facilities - \$88.8 million

Department of Health — The Florida Cancer Innovation Fund gets a \$40 million increase. In addition, HB 7073 creates a new \$30 million annual distribution to four cancer centers. The Rural Hospital Capital Improvement Grant Program will receive \$10 million.

Environmental Protection:

- Everglades Restoration - \$702 million
- Water Quality Improvements - \$1.7 billion
- Flood and Sea-Level Rise Program - \$125 million
- Alternative Water Supply - \$55 million
- Springs Restoration - \$55 million
- Florida Forever Programs and Land Acquisition - \$528.6 million
- Beach Management Funding Assistance - \$50 million

SB1638 dedicates annual revenues from the Seminole Gaming Compact for water quality improvement, conservation land acquisition and management, and sea level rise and flooding resiliency projects.

Corrections — A recurring investment of \$100 million to fund both long-term construction projects and the repair of aging prison infrastructure. An \$11.1 million expansion of DOC education program is also funded.

Economic Development:

- Affordable Housing - \$258 million
- Florida Hometown Hero Program to provide home buying assistance - \$100 million
- VISIT Florida - \$80.0 million (\$30 million increase)
- Job Growth Grant Fund - \$75 million (\$25 million increase)
- Disaster Recovery Grant Funding (CDBG-DR) - \$396 million
- Transportation – In addition to the \$14 billion DOT Work Program (which includes \$881 million for the Moving Florida Forward Plan (MFFP)), an extra \$370 million in general revenue is provided for MFFP to accelerate select road projects in the “back of the bill.”

Unprecedented Number of Member Projects — Not surprisingly, with all the non-recurring general revenue available again this year, the budget is chock-full of local member projects, called “appropriations projects” by the Legislature. The budget contains an estimated 1,601 member projects, totaling \$2.8 billion. This is an average of 10 projects, worth \$17.5 million, per legislator. This is the third year in a row that the budget has contained more than 1,200 member projects.

ABOUT FLORIDA TAXWATCH

As an independent, nonpartisan, nonprofit taxpayer research institute and government watchdog, it is the mission of Florida TaxWatch to provide the taxpayers of Florida and public officials with high quality, independent research and analysis of issues related to state and local government taxation, expenditures, policies, and programs. Florida TaxWatch works to improve the productivity and accountability of Florida government. Its research recommends productivity enhancements and explains the statewide impact of fiscal and economic policies and practices on taxpayers and businesses.

Florida TaxWatch is supported by voluntary, tax-deductible donations and private grants. Donations provide a solid, lasting foundation that has enabled Florida TaxWatch to bring about a more effective, responsive government that is accountable to the taxpayers it serves since 1979.

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