



Ways & Means Committee

Wednesday, January 31, 2024
9:00 AM – 1:30 PM
Sumner Hall (404 HOB)

MEETING PACKET

Committee Meeting Notice

HOUSE OF REPRESENTATIVES

Ways & Means Committee

Start Date and Time: Wednesday, January 31, 2024 09:00 am
End Date and Time: Wednesday, January 31, 2024 01:30 pm
Location: Sumner Hall (404 HOB)
Duration: 4.50 hrs

Consideration of the following bill(s):

CS/HB 107 Impact of Electric Vehicles and Plug-in Hybrid Electric Vehicles on State Revenues and State Trust Funds by Transportation & Modals Subcommittee, Esposito
HB 471 Valuation of Timeshare Units by Fine
HB 609 Local Business Taxes by Botana
CS/HB 755 Canaveral Port District, Brevard County by Local Administration, Federal Affairs & Special Districts Subcommittee, Sirois, Brackett
HB 897 Dorcas Fire District, Okaloosa County by Maney
HB 1117 City of North Port, Sarasota County by Buchanan
HB 1147 Broadband by Tomkow

Consideration of the following proposed committee substitute(s):

PCS for HB 475 -- Sales Tax Exemption for Items Related to Electric Transportation
PCS for HB 1001 -- Taxation
PCS for HB 1161 -- Verification of Eligibility for Homestead Exemption
PCS for HB 1371 -- Property Tax System Study
PCS for HB 1649 -- Ad Valorem Taxation

To submit an electronic appearance form, and for information about attending or testifying at a committee meeting, please see the "Visiting the House" tab at www.myfloridahouse.gov.

NOTICE FINALIZED on 01/29/2024 4:12PM by RSD

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 107 Impact of Electric Vehicles and Plug-in Hybrid Electric Vehicles on State Revenues and State Trust Funds

SPONSOR(S): Transportation & Modals Subcommittee, Esposito

TIED BILLS: **IDEN./SIM. BILLS:** CS/SB 28

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Transportation & Modals Subcommittee	16 Y, 0 N, As CS	Hinshelwood	Hinshelwood
2) Ways & Means Committee		Berg	Aldridge
3) Infrastructure Strategies Committee			

SUMMARY ANALYSIS

Florida has the second-highest number of registered electric vehicles (EVs) in the country. The combination of increasing market share of EVs and hybrid vehicles as well as more fuel-efficient internal combustion engine vehicles is expected to continue adversely impacting statewide and local fuel tax revenues, which provide funding for transportation expenditures. Over the next 20 years in Florida, the revenue loss due to increased EV market penetration is estimated to range from 5.6 percent to 20 percent, depending on the EV market penetration rate. At the local level, the loss of revenue could impact operations and maintenance of local roadways and public transportation. Currently, the typical Florida driver pays \$283 in motor fuel tax each year for transportation related projects.

Florida does not currently impose additional registration fees, excise taxes, or user charges on EVs or PHEVs. The bill requires the Revenue Estimating Conference (REC) to estimate the impact on the General Revenue Fund in fiscal years 2024-2025 and 2025-2026 of sales tax levied on the sale of electricity that is used to charge EVs. The REC must provide this estimate to the Department of Revenue no later than the June 10 preceding the start of the applicable fiscal year. This provision expires June 30, 2026.

Beginning July 2024, the bill directs the Department of Revenue to distribute to the State Transportation Trust Fund (STTF) one-twelfth of the amount estimated by the REC for that state fiscal year. This provision expires June 30, 2026.

In addition, the bill recognizes that the continued adoption of EVs and plug-in hybrid electric vehicles will have significant effects on state tax collections and the STTF. To better understand these effects, the bill requires the Office of Economic and Demographic Research (EDR) to produce a report that estimates the long-term impact on the State Transportation Trust Fund, the impact on sales tax and gross receipts tax revenues expected to result from the continuing adoption of EVs and PHEVs in the state, and the percentage of users that utilize residential charging stations rather than commercial charging stations. The report must also consider federal policies that incentivize or promote EVs and the impact of such policies on the speed of continued adoption of EVs.

EDR must submit the report by January 15, 2025, and the report must be used by the 2025 Legislature to consider potential policy changes needed to address the long-term impact on the STTF.

The Revenue Estimating Conference has not estimated the revenue impacts of this bill. For fiscal years 2024-2025 and 2025-2026, the bill will have a negative impact on General Revenue and an equivalent positive impact on state trust fund revenue.

The bill is effective upon becoming a law.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: h0107d.WMC

DATE: 1/30/2024

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Background

Electric Vehicles and Revenue Impacts in Florida

Florida has the second-highest number of registered electric vehicles (EVs) in the country.¹ According to the Southern Alliance for Clean Energy, EVs made up nearly 3 percent of all cars sold in Florida from July 2020 to July 2021, and EV charging station deployment grew 54 percent.² In that same period, utility investment rose 815 percent, and government funding in Florida topped \$100 million through a combination of state-controlled Volkswagen Settlement Funds and federal Low or No Emission Vehicle Program grants.³ With the passage of the federal Infrastructure Investment and Jobs Act in 2021, Florida will receive an additional \$198 million over a five-year period from the National Electric Vehicle Infrastructure program to advance Florida's charging capacity for EVs.⁴

The combination of increasing market share of EVs and hybrid vehicles as well as more fuel-efficient internal combustion engine vehicles is expected to continue adversely impacting statewide and local fuel tax revenues.⁵ Over the next 20 years in Florida, the revenue loss due to increased EV market penetration is estimated to range from 5.6 percent to 20 percent, depending on the EV market penetration rate.⁶ At the local level, the loss of revenue could impact operations and maintenance of local roadways and public transportation.⁷

Average Fuel Tax Paid by Florida Drivers

Currently, the typical Florida driver pays \$283 in motor fuel tax each year – \$90 in federal fuel tax, \$123 in state fuel tax, and \$69 in local fuel tax – for transportation related projects.⁸ These amounts equate to approximately \$0.024 per mile.⁹

Transportation Funding Models for EVs and Plug-In Hybrid Electric Vehicles (PHEVs)

Special Registration Fee

Currently, 33 states have implemented a registration fee supplement for EVs, and 18 of those states assess a lower fee on PHEVs.¹⁰ These fees are typically in addition to traditional motor vehicle registration fees.¹¹

¹ WUSF Public Media, *Florida, No. 2 in nation for electric cars, about to get a boost to its charger network* (Feb. 13, 2022), <https://wusfnews.wusf.usf.edu/environment/2022-02-13/florida-no-2-in-nation-for-electric-cars-about-to-get-a-boost-to-its-charger-network> (last visited January 24, 2024). See also U.S. Department of Energy, *Electric Vehicle Registrations by State*, <https://afdc.energy.gov/data/10962> (last visited January 24, 2024).

² Southern Alliance for Clean Energy, *Florida's Electric Vehicle Market is Ready for Lift Off* (Dec. 8, 2021), <https://cleanenergy.org/blog/floridas-electric-vehicle-market-is-ready-for-lift-off/> (last visited January 24, 2024).

³ *Id.*

⁴ Florida Department of Transportation, *Florida's Electric Vehicle Infrastructure Deployment Plan* (Aug. 2022), https://www.fhwa.dot.gov/environment/nevi/ev_deployment_plans/fl_nevi_plan.pdf, p. 12 (last visited January 24, 2024).

⁵ Motor fuel is subject to state taxation pursuant to ch. 206, F.S. Federal and local option taxes are also levied on motor fuel. Most of the revenue from the fuel sales tax is distributed to the State Transportation Trust Fund, which provides a funding source for the Florida Department of Transportation's 5-year work program.

⁶ Florida Department of Transportation, *EV Infrastructure Master Plan* (July 2021), https://fdotwww.blob.core.windows.net/sitefinity/docs/default-source/emergingtechnologies/evprogram/fdotevmp.pdf?sfvrsn=b5888a_2, p. 27 (last visited January 24, 2024).

⁷ *Id.*

⁸ Florida Department of Transportation, *Florida's Transportation Tax Sources: A Primer* (2023), <https://fdotewp1.dot.state.fl.us/FMSupportApps/Documents/pr/Primer.pdf> (last visited January 24, 2024).

⁹ *Id.*

Annual fees for EVs range from \$50 in Colorado, South Dakota, and Hawaii to \$225 in Washington. Fees for PHEVs range from \$48.75 in Iowa, to \$100 in Alabama, Arkansas, Ohio, and West Virginia; Wisconsin imposes a fee of \$160 on all hybrid EVs, not just PHEVs.¹²

Revenue from these fees is most commonly directed toward the state transportation fund, but a few states also use some of the fee revenue to support EV infrastructure or other priorities.¹³ Examples of the distribution of these fees include the following:¹⁴

- Alabama allocates \$50 of its \$200 fee for new EV infrastructure.
- Washington added an additional \$75 fee in 2019 to support charging stations.
- Colorado dedicates \$20 of the \$50 EV fee to the Electric Vehicle Grant Fund to support charging stations.
- Louisiana directs a portion of these revenues to local governments to support local transportation and infrastructure funds.
- Kentucky splits revenues between the road account and the state's general fund.

At least six states (California, Colorado, Indiana, Michigan, Mississippi, and Utah) structure the additional registration fees to grow over time by tying the fees to the consumer price index or another inflation-related metric.¹⁵

Kilowatt Hour (kWh) Excise Tax

A kWh excise tax provides a means of capturing out-of-state revenue when cars charge at public charging stations.¹⁶ Currently, the following five states impose a per-kWh excise tax on electricity used to charge EVs and PHEVs:

- Beginning January 1, 2025, Georgia requires a tax to be levied on public charging stations at a rate equivalent to that of one gallon of regular grade gasoline, which is \$0.26 per 11 kWh and will be adjusted for increases in the Consumer Price Index and in fuel efficiency.¹⁷
- Beginning July 2, 2023, Iowa requires an excise tax of \$0.026 per kWh on sales of electricity dispensed at a public charging station.¹⁸
- Beginning January 1, 2024, Kentucky requires an excise tax of \$0.03 per kWh on EV power distributed by an EV dealer for the purpose of charging EVs.¹⁹ The tax rate will be adjusted annually by the percentage change, up to a maximum 5 percent increase or decrease, in the National Highway Construction Index 2.0.²⁰

¹⁰ National Conference of State Legislatures, *Special Fees on Plug-In Hybrid and Electric Vehicles* (Mar. 27, 2023), <https://www.ncsl.org/energy/special-fees-on-plug-in-hybrid-and-electric-vehicles> (last visited January 24, 2024).

¹¹ *Id.*

¹² *Id.*

¹³ *Id.*

¹⁴ *Id.*

¹⁵ *Id.*

¹⁶ Presentation by Carolyn Kramer Simmons, Senior Director of State Funding Policy, ARTBA, at the at the Georgia Joint Study Committee of Electrification on Transportation (Nov. 2, 2022), <https://www.youtube.com/watch?v=okiVRxExIw&t=1430s>, written material available at https://www.house.ga.gov/Documents/CommitteeDocuments/2022/Electrification_of_Transportation/Nov_2/Carolyn_Simmons_ARTBA.pdf (last visited January 24, 2024).

¹⁷ Repairer Driven News, *Georgia implements EV charging tax, Delaware passes home charging bill* (July 7, 2023), <https://www.repairerdrivennews.com/2023/07/07/georgia-implements-ev-charging-tax-delaware-passes-home-charging-bill/> (last visited January 24, 2024); Georgia Laws 2023, Act 248 (SB 146), <https://gov.georgia.gov/executive-action/legislation/signed-legislation/2023> (last visited January 24, 2024).

¹⁸ Iowa Department of Revenue, *Electric Fuel Excise Tax*, <https://tax.iowa.gov/electric-fuel-excise-tax> (last visited January 24, 2024).

¹⁹ KRS § 138.477(2).

²⁰ KRS § 138.477(3).

- Beginning January 1, 2024, public EV charging stations in Oklahoma are subject to a tax of \$0.03 per kWh.²¹ Residents may keep their receipts from the charging stations and apply for a refund as a credit when paying state income tax.²²
- Pennsylvania currently imposes a charge of \$0.0183 per kWh for electricity used to propel a vehicle on a public highway.²³ The charge is based on converting electricity to the gasoline gallon equivalent and then applying the current oil company franchise tax rate applicable to one gallon of gasoline.²⁴ However, Pennsylvania is considering moving to a flat annual fee for EVs because the current alternative fuel tax requires EV owners to file monthly statements with the state Department of Revenue and pay a tax on how much electricity their vehicle used, a process which is complicated and which few people are even aware they are required to comply with.²⁵

Road Usage Charge (RUC)

A road user charge (RUC) is also known as a miles based user fee (MBUF), vehicle miles traveled (VMT), or pay per mile (PPM).²⁶ In a RUC system, drivers submit their mileage and fuel consumption to an account manager (a private sector entity) who creates and sends an invoice to the vehicle owner who then pays.²⁷ The RUC system can be accomplished through a plug-in device in the vehicle, in-vehicle telematics, odometer reading, or a flat fee.²⁸ The account manager transfers the money collected to the state.²⁹ The state oversees and audits the account manager.³⁰ One report found that 5-18 percent of revenue will go to RUC system administrative costs.³¹

Oregon has the longest active RUC system pilot program, which has been around since 2015. Utah started a RUC system in January of 2020. As of July 1, 2022, Virginia is the most recent RUC system, which is open to all fuel-efficient vehicles.³²

Florida does not currently impose additional registration fees, excise taxes, or user charges on EVs or PHEVs.

Taxation of Electricity in Florida

The sale of electric power or energy by an electric utility is subject to the state sales tax at the rate of 4.95 percent,³³ subject to numerous exemptions. The exemptions include sales for use in residential

²¹ 68 Okla. Stat. tit. § 6504(A) (2022).

²² 68 Okla. Stat. tit. § 6510 (2022).

²³ Pennsylvania Department of Revenue, *Alternative Fuels Tax*, <https://www.revenue.pa.gov/TaxTypes/MAFT/AltFuelsTax/Pages/default.aspx> (last visited January 24, 2024); Pennsylvania Department of Revenue, *Alternative Fuels Tax Rates*, <https://www.revenue.pa.gov/Tax%20Rates/Pages/Alternative%20Fuels%20Tax%20Rates.aspx> (last visited January 24, 2024).

²⁴ Pennsylvania Department of Revenue, *Alternative Fuels Tax*, *supra* note 23.

²⁵ Government Technology, *Pennsylvania EV Drivers Could Face \$290 Annual Fee* (June 8, 2023), <https://www.govtech.com/pennsylvania-ev-drivers-could-face-290-annual-fee> (last visited January 24, 2024).

²⁶ Presentation by Patricia Hendren, Executive Director, Eastern Transportation Coalition, at the Georgia Joint Study Committee of Electrification on Transportation (Nov. 2, 2022), <https://www.youtube.com/watch?v=okiVRxExXlw&t=1430s>, written material available at https://www.house.ga.gov/Documents/CommitteeDocuments/2022/Electrification_of_Transportation/Nov_2/Trish_Hendren_Eastern_Transportation_Coalition.pdf (last visited January 24, 2024).

²⁷ *Id.*

²⁸ *Id.*

²⁹ *Id.*

³⁰ *Id.*

³¹ Carolyn Kramer Simmons, *supra* note 16.

³² Patricia Hendren, *supra* note 26; Carolyn Kramer Simmons, *supra* note 16.

³³ Section 212.05(1)(e)1.c., F.S.

households,³⁴ sales for certain agricultural purposes,³⁵ sales for use in operating manufacturing machinery and equipment in a fixed location,³⁶ and electricity used exclusively at a data center.³⁷

State sales and use taxes are distributed pursuant to s. 212.20(6), F.S.³⁸ in numerous ways, with approximately 89.5 percent being distributed to the General Revenue fund and a further 10.2 percent being distributed as revenue sharing with local governments and distributions.³⁹ The remainder is distributed to various trust funds or specific entities for specific purposes.⁴⁰

Chapter 203, F.S., imposes, at the rate of 2.5 percent, a tax on gross receipts from the sale, delivery, or transportation of electrical power or energy to a retail consumer in Florida.⁴¹ In addition, a rate of 2.6 percent is levied on sales of electricity to non-residential customers not otherwise exempt.⁴² All revenue received pursuant to this tax is deposited in the Public Education Capital Outlay and Debt Service (“PECO”) Trust Fund.⁴³ The use of such funds is limited to paying the principal and interest on bonds to finance capital projects for institutions of higher learning, community colleges, vocational technical schools, or public schools; the cost of any public educational facility capital project; and the cost of maintenance, restoration, and repairs.⁴⁴

Effect of the Bill

The bill requires the Revenue Estimating Conference (REC) to estimate the impact on the General Revenue Fund in fiscal years 2024-2025 and 2025-2026 of sales tax levied on the sale of electricity that is used to charge EVs. As residential households are exempt from the sales tax on electricity, this estimate will generally represent the sales tax impact of commercial charging stations in Florida. The REC must provide this estimate to the Department of Revenue no later than the June 10 preceding the start of the applicable fiscal year. This provision expires June 30, 2026.

Beginning July 2024, the bill directs the Department of Revenue to distribute to the State Transportation Trust Fund (STTF) one-twelfth of the amount estimated by the REC for the applicable fiscal year to represent the portion of sales tax collected on electricity used to charge EVs that would have gone into the General Revenue Fund. This provision expires June 30, 2026.

In addition, the bill recognizes that the continued adoption of EVs and plug-in hybrid electric vehicles will have significant effects on state tax collections and the STTF. To better understand these effects, the bill requires the Office of Economic and Demographic Research (EDR) to produce a report that estimates the long-term impact on the State Transportation Trust Fund, the impact on sales tax and gross receipts tax revenues expected to result from the continuing adoption of EVs and PHEVs in the state, and the percentage of users that utilize residential charging stations rather than commercial charging stations. The report must also consider federal policies that incentivize or promote EVs and the impact of such policies on the speed of continued adoption of EVs.

³⁴ Section 212.08(7)(j), F.S.

³⁵ Section 212.08(5)(e), F.S.

³⁶ Section 212.08(7)(ff), F.S.

³⁷ Section 212.08(5)(r), F.S.

³⁸ Certain local option taxes, certain portions of communications services taxes, and certain portions of gross receipts taxes are also distributed pursuant to s. 212.20(6), F.S.

³⁹ These estimates are based on the most recent forecast for Fiscal Year 2024-25, as reflected in the Florida Tax Handbook on page 163, available online at <http://edr.state.fl.us/Content/revenues/reports/tax-handbook/taxhandbook2023.pdf> (last visited January 24, 2024).

⁴⁰ These currently include distributions to the State Transportation Trust Fund, the Florida Agricultural Promotional Campaign Trust Fund, the Public Employees Relations Commission Trust Fund, and the Unemployment Compensation Trust Fund, as well as distributions to certain local governments through the emergency distribution program in s. 218.65, F.S., and to certain sports franchises.

⁴¹ Section 203.01(1)(b)1., F.S.

⁴² Section 203.01(1)(b)4., F.S.

⁴³ Section 203.01(1)(c)2., F.S., implementing Art. XII, § (9)(a)(2), Fla. Const.

⁴⁴ Art. XII, § 9(a)(2)c., Fla. Const.

EDR must submit the report by January 15, 2025, and the report must be used by the 2025 Legislature to consider potential policy changes needed to address the long-term impact on the STTF. The Department of Transportation and the Department of Revenue must provide assistance to EDR in producing the report.

The bill defines the terms “electric vehicle” and “plug-in-hybrid electric vehicle” for purposes of the EDR report:

- "Electric vehicle" means a motor vehicle that is solely powered by an electric motor that draws current from rechargeable storage batteries, fuel cells, or other sources of electrical current.
- "Plug-in hybrid electric vehicle" means a motor vehicle equipped to be propelled by an internal combustion engine and an electric motor that draws current from rechargeable storage batteries, fuel cells, or other sources of electrical current that are recharged by an energy source external to the motor vehicle.

B. SECTION DIRECTORY:

- Section 1** Amends s. 216.137, F.S., requiring the REC to adopt an estimate of certain sales tax collections for specified state fiscal years.
- Section 2** Amends s. 212.20, F.S., requiring DOR to make monthly distributions to the STTF.
- Section 3** Requires EDR to provide a report to the Governor and Legislature.
- Section 4** Provides an effective date of upon becoming a law.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

The Revenue Estimating Conference has not estimated the revenue impacts of this bill. For fiscal years 2024-2025 and 2025-2026, the bill will have a negative impact on General Revenue and an equivalent positive impact on state trust fund revenue.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not Applicable. This bill does not appear to affect county or municipal governments.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill does not require rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

On January 10, 2024, the Transportation & Modals Subcommittee adopted a Proposed Committee Substitute (PCS) and reported the bill favorably as a committee substitute. The PCS:

- Removes the new fees on EVs and PHEVs;
- For two fiscal years, requires the REC to estimate the impact on the General Revenue Fund from the sales tax levied from charging EVs and directs the Department of Revenue to distribute such funds to the STTF; and
- Requires EDR to prepare a report.

This analysis is drafted to the committee substitute as approved by the Transportation & Modals Subcommittee.

26 Section 1. Subsection (4) is added to section 216.137,
 27 Florida Statutes, to read:

28 216.137 Sessions of consensus estimating conferences;
 29 workpapers.—

30 (4) SPECIAL ESTIMATING SESSION.—

31 (a) By June 1, 2024, and June 1, 2025, the Revenue
 32 Estimating Conference shall estimate the impact on the General
 33 Revenue Fund in fiscal years 2024-2025 and 2025-2026,
 34 respectively, of the sales tax levied by s. 212.05(1)(e)1.c. on
 35 the sale of electricity that is used to charge electric vehicles
 36 as defined in s. 320.01(36). The Revenue Estimating Conference
 37 must provide such estimate to the Department of Revenue no later
 38 than the June 10 preceding the start of the applicable fiscal
 39 year.

40 (b) This subsection is repealed June 30, 2026.

41 Section 2. Paragraph (d) of subsection (6) of section
 42 212.20, Florida Statutes, is amended to read:

43 212.20 Funds collected, disposition; additional powers of
 44 department; operational expense; refund of taxes adjudicated
 45 unconstitutionally collected.—

46 (6) Distribution of all proceeds under this chapter and
 47 ss. 202.18(1)(b) and (2)(b) and 203.01(1)(a)3. is as follows:

48 (d) The proceeds of all other taxes and fees imposed
 49 pursuant to this chapter or remitted pursuant to s. 202.18(1)(b)
 50 and (2)(b) shall be distributed as follows:

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

57 2. After the distribution under subparagraph 1., 8.9744
58 percent of the amount remitted by a sales tax dealer located
59 within a participating county pursuant to s. 218.61 shall be
60 transferred into the Local Government Half-cent Sales Tax
61 Clearing Trust Fund. Beginning July 1, 2003, the amount to be
62 transferred shall be reduced by 0.1 percent, and the department
63 shall distribute this amount to the Public Employees Relations
64 Commission Trust Fund less \$5,000 each month, which shall be
65 added to the amount calculated in subparagraph 3. and
66 distributed accordingly.

67 3. After the distribution under subparagraphs 1. and 2.,
68 0.0966 percent shall be transferred to the Local Government
69 Half-cent Sales Tax Clearing Trust Fund and distributed pursuant
70 to s. 218.65.

71 4. After the distributions under subparagraphs 1., 2., and
72 3., 2.0810 percent of the available proceeds shall be
73 transferred monthly to the Revenue Sharing Trust Fund for
74 Counties pursuant to s. 218.215.

75 5. After the distributions under subparagraphs 1., 2., and

76 3., 1.3653 percent of the available proceeds shall be
 77 transferred monthly to the Revenue Sharing Trust Fund for
 78 Municipalities pursuant to s. 218.215. If the total revenue to
 79 be distributed pursuant to this subparagraph is at least as
 80 great as the amount due from the Revenue Sharing Trust Fund for
 81 Municipalities and the former Municipal Financial Assistance
 82 Trust Fund in state fiscal year 1999-2000, no municipality shall
 83 receive less than the amount due from the Revenue Sharing Trust
 84 Fund for Municipalities and the former Municipal Financial
 85 Assistance Trust Fund in state fiscal year 1999-2000. If the
 86 total proceeds to be distributed are less than the amount
 87 received in combination from the Revenue Sharing Trust Fund for
 88 Municipalities and the former Municipal Financial Assistance
 89 Trust Fund in state fiscal year 1999-2000, each municipality
 90 shall receive an amount proportionate to the amount it was due
 91 in state fiscal year 1999-2000.

92 6. Of the remaining proceeds:

93 a. In each fiscal year, the sum of \$29,915,500 shall be
 94 divided into as many equal parts as there are counties in the
 95 state, and one part shall be distributed to each county. The
 96 distribution among the several counties must begin each fiscal
 97 year on or before January 5th and continue monthly for a total
 98 of 4 months. If a local or special law required that any moneys
 99 accruing to a county in fiscal year 1999-2000 under the then-
 100 existing provisions of s. 550.135 be paid directly to the

101 district school board, special district, or a municipal
102 government, such payment must continue until the local or
103 special law is amended or repealed. The state covenants with
104 holders of bonds or other instruments of indebtedness issued by
105 local governments, special districts, or district school boards
106 before July 1, 2000, that it is not the intent of this
107 subparagraph to adversely affect the rights of those holders or
108 relieve local governments, special districts, or district school
109 boards of the duty to meet their obligations as a result of
110 previous pledges or assignments or trusts entered into which
111 obligated funds received from the distribution to county
112 governments under then-existing s. 550.135. This distribution
113 specifically is in lieu of funds distributed under s. 550.135
114 before July 1, 2000.

115 b. The department shall distribute \$166,667 monthly to
116 each applicant certified as a facility for a new or retained
117 professional sports franchise pursuant to s. 288.1162. Up to
118 \$41,667 shall be distributed monthly by the department to each
119 certified applicant as defined in s. 288.11621 for a facility
120 for a spring training franchise. However, not more than \$416,670
121 may be distributed monthly in the aggregate to all certified
122 applicants for facilities for spring training franchises.
123 Distributions begin 60 days after such certification and
124 continue for not more than 30 years, except as otherwise
125 provided in s. 288.11621. A certified applicant identified in

126 | this sub-subparagraph may not receive more in distributions than
127 | expended by the applicant for the public purposes provided in s.
128 | 288.1162(5) or s. 288.11621(3).

129 | c. The department shall distribute up to \$83,333 monthly
130 | to each certified applicant as defined in s. 288.11631 for a
131 | facility used by a single spring training franchise, or up to
132 | \$166,667 monthly to each certified applicant as defined in s.
133 | 288.11631 for a facility used by more than one spring training
134 | franchise. Monthly distributions begin 60 days after such
135 | certification or July 1, 2016, whichever is later, and continue
136 | for not more than 20 years to each certified applicant as
137 | defined in s. 288.11631 for a facility used by a single spring
138 | training franchise or not more than 25 years to each certified
139 | applicant as defined in s. 288.11631 for a facility used by more
140 | than one spring training franchise. A certified applicant
141 | identified in this sub-subparagraph may not receive more in
142 | distributions than expended by the applicant for the public
143 | purposes provided in s. 288.11631(3).

144 | d. The department shall distribute \$15,333 monthly to the
145 | State Transportation Trust Fund.

146 | e.(I) On or before July 25, 2021, August 25, 2021, and
147 | September 25, 2021, the department shall distribute \$324,533,334
148 | in each of those months to the Unemployment Compensation Trust
149 | Fund, less an adjustment for refunds issued from the General
150 | Revenue Fund pursuant to s. 443.131(3)(e)3. before making the

151 distribution. The adjustments made by the department to the
152 total distributions shall be equal to the total refunds made
153 pursuant to s. 443.131(3)(e)3. If the amount of refunds to be
154 subtracted from any single distribution exceeds the
155 distribution, the department may not make that distribution and
156 must subtract the remaining balance from the next distribution.

157 (II) Beginning July 2022, and on or before the 25th day of
158 each month, the department shall distribute \$90 million monthly
159 to the Unemployment Compensation Trust Fund.

160 (III) If the ending balance of the Unemployment
161 Compensation Trust Fund exceeds \$4,071,519,600 on the last day
162 of any month, as determined from United States Department of the
163 Treasury data, the Office of Economic and Demographic Research
164 shall certify to the department that the ending balance of the
165 trust fund exceeds such amount.

166 (IV) This sub-subparagraph is repealed, and the department
167 shall end monthly distributions under sub-sub-subparagraph (II),
168 on the date the department receives certification under sub-sub-
169 subparagraph (III).

170 f. Beginning July 1, 2023, in each fiscal year, the
171 department shall distribute \$27.5 million to the Florida
172 Agricultural Promotional Campaign Trust Fund under s. 571.26,
173 for further distribution in accordance with s. 571.265. This
174 sub-subparagraph is repealed June 30, 2025.

175 g. Beginning July 2024, and on or before the 25th day of

176 each month thereafter, the department shall distribute to the
177 State Transportation Trust Fund one-twelfth of the amount
178 estimated by the Revenue Estimating Conference pursuant to s.
179 216.137(4) for that state fiscal year. This sub-subparagraph is
180 repealed June 30, 2026.

181 7. All other proceeds must remain in the General Revenue
182 Fund.

183 Section 3. (1) The Legislature recognizes that the
184 continued adoption of electric vehicles and plug-in hybrid
185 electric vehicles will have significant effects on state tax
186 collections and the State Transportation Trust Fund over the
187 coming years. To better understand these effects, the
188 Legislature finds the following actions are necessary:

189 (a) The Legislative Office of Economic and Demographic
190 Research shall produce a report that estimates the long-term
191 impact on the State Transportation Trust Fund, the impact on
192 sales tax and gross receipts tax revenues expected to result
193 from the continuing adoption of electric vehicles and plug-in
194 hybrid electric vehicles in the state, and the percentage of
195 users that utilize residential charging stations rather than
196 commercial charging stations. The report must also consider
197 federal policies that incentivize or promote electric vehicles
198 and the impact of such policies on the speed of continued
199 adoption of such vehicles.

200 (b) The Department of Transportation and the Department of

201 Revenue shall provide assistance to the Office of Economic and
202 Demographic Research in producing the report required by
203 paragraph (a).

204 (c) The report required by paragraph (a) shall be
205 submitted to the Governor, the President of the Senate, and the
206 Speaker of the House of Representatives by January 15, 2025, and
207 shall be used by the 2025 Legislature to consider potential
208 policy changes needed to address the long-term impact on the
209 State Transportation Trust Fund from the continuing adoption of
210 electric vehicles and plug-in hybrid electric vehicles.

211 (2) For purposes of this section, the term:

212 (a) "Electric vehicle" means a motor vehicle that is
213 solely powered by an electric motor that draws current from
214 rechargeable storage batteries, fuel cells, or other sources of
215 electrical current.

216 (b) "Plug-in hybrid electric vehicle" means a motor
217 vehicle equipped to be propelled by an internal combustion
218 engine and an electric motor that draws current from
219 rechargeable storage batteries, fuel cells, or other sources of
220 electrical current that are recharged by an energy source
221 external to the motor vehicle.

222 Section 4. This act shall take effect upon becoming a law.

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	_____	(Y/N)
ADOPTED AS AMENDED	_____	(Y/N)
ADOPTED W/O OBJECTION	_____	(Y/N)
FAILED TO ADOPT	_____	(Y/N)
WITHDRAWN	_____	(Y/N)
OTHER		

1 Committee/Subcommittee hearing bill: Ways & Means Committee
 2 Representative Esposito offered the following:

Amendment

5 Remove lines 31-207 and insert:

6 (a) By June 1, 2024, June 1, 2025, and June 1, 2026, the
 7 Revenue Estimating Conference shall estimate the impact on the
 8 General Revenue Fund in fiscal years 2024-2025, 2025-2026, and
 9 2026-2027, respectively, of the sales tax levied by s.
 10 212.05(1)(e)1.c. on the sale of electricity that is used to
 11 charge electric vehicles as defined in s. 320.01(36). The
 12 Revenue Estimating Conference must provide such estimate to the
 13 Department of Revenue no later than the June 10 preceding the
 14 start of the applicable fiscal year.

15 (b) This subsection is repealed June 30, 2027.

16 Section 2. Paragraph (d) of subsection (6) of section

Amendment No. 1

17 | 212.20, Florida Statutes, is amended to read:

18 | 212.20 Funds collected, disposition; additional powers of
19 | department; operational expense; refund of taxes adjudicated
20 | unconstitutionally collected.—

21 | (6) Distribution of all proceeds under this chapter and
22 | ss. 202.18(1)(b) and (2)(b) and 203.01(1)(a)3. is as follows:

23 | (d) The proceeds of all other taxes and fees imposed
24 | pursuant to this chapter or remitted pursuant to s. 202.18(1)(b)
25 | and (2)(b) shall be distributed as follows:

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

32 | 2. After the distribution under subparagraph 1., 8.9744
33 | percent of the amount remitted by a sales tax dealer located
34 | within a participating county pursuant to s. 218.61 shall be
35 | transferred into the Local Government Half-cent Sales Tax
36 | Clearing Trust Fund. Beginning July 1, 2003, the amount to be
37 | transferred shall be reduced by 0.1 percent, and the department
38 | shall distribute this amount to the Public Employees Relations
39 | Commission Trust Fund less \$5,000 each month, which shall be
40 | added to the amount calculated in subparagraph 3. and
41 | distributed accordingly.

Amendment No. 1

42 3. After the distribution under subparagraphs 1. and 2.,
43 0.0966 percent shall be transferred to the Local Government
44 Half-cent Sales Tax Clearing Trust Fund and distributed pursuant
45 to s. 218.65.

46 4. After the distributions under subparagraphs 1., 2., and
47 3., 2.0810 percent of the available proceeds shall be
48 transferred monthly to the Revenue Sharing Trust Fund for
49 Counties pursuant to s. 218.215.

50 5. After the distributions under subparagraphs 1., 2., and
51 3., 1.3653 percent of the available proceeds shall be
52 transferred monthly to the Revenue Sharing Trust Fund for
53 Municipalities pursuant to s. 218.215. If the total revenue to
54 be distributed pursuant to this subparagraph is at least as
55 great as the amount due from the Revenue Sharing Trust Fund for
56 Municipalities and the former Municipal Financial Assistance
57 Trust Fund in state fiscal year 1999-2000, no municipality shall
58 receive less than the amount due from the Revenue Sharing Trust
59 Fund for Municipalities and the former Municipal Financial
60 Assistance Trust Fund in state fiscal year 1999-2000. If the
61 total proceeds to be distributed are less than the amount
62 received in combination from the Revenue Sharing Trust Fund for
63 Municipalities and the former Municipal Financial Assistance
64 Trust Fund in state fiscal year 1999-2000, each municipality
65 shall receive an amount proportionate to the amount it was due
66 in state fiscal year 1999-2000.

174269 - HB 107 Esposito A1.docx

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Amendment No. 1

- 67 6. Of the remaining proceeds:
- 68 a. In each fiscal year, the sum of \$29,915,500 shall be
- 69 divided into as many equal parts as there are counties in the
- 70 state, and one part shall be distributed to each county. The
- 71 distribution among the several counties must begin each fiscal
- 72 year on or before January 5th and continue monthly for a total
- 73 of 4 months. If a local or special law required that any moneys
- 74 accruing to a county in fiscal year 1999-2000 under the then-
- 75 existing provisions of s. 550.135 be paid directly to the
- 76 district school board, special district, or a municipal
- 77 government, such payment must continue until the local or
- 78 special law is amended or repealed. The state covenants with
- 79 holders of bonds or other instruments of indebtedness issued by
- 80 local governments, special districts, or district school boards
- 81 before July 1, 2000, that it is not the intent of this
- 82 subparagraph to adversely affect the rights of those holders or
- 83 relieve local governments, special districts, or district school
- 84 boards of the duty to meet their obligations as a result of
- 85 previous pledges or assignments or trusts entered into which
- 86 obligated funds received from the distribution to county
- 87 governments under then-existing s. 550.135. This distribution
- 88 specifically is in lieu of funds distributed under s. 550.135
- 89 before July 1, 2000.
- 90 b. The department shall distribute \$166,667 monthly to
- 91 each applicant certified as a facility for a new or retained

Amendment No. 1

92 professional sports franchise pursuant to s. 288.1162. Up to
93 \$41,667 shall be distributed monthly by the department to each
94 certified applicant as defined in s. 288.11621 for a facility
95 for a spring training franchise. However, not more than \$416,670
96 may be distributed monthly in the aggregate to all certified
97 applicants for facilities for spring training franchises.
98 Distributions begin 60 days after such certification and
99 continue for not more than 30 years, except as otherwise
100 provided in s. 288.11621. A certified applicant identified in
101 this sub-subparagraph may not receive more in distributions than
102 expended by the applicant for the public purposes provided in s.
103 288.1162(5) or s. 288.11621(3).

104 c. The department shall distribute up to \$83,333 monthly
105 to each certified applicant as defined in s. 288.11631 for a
106 facility used by a single spring training franchise, or up to
107 \$166,667 monthly to each certified applicant as defined in s.
108 288.11631 for a facility used by more than one spring training
109 franchise. Monthly distributions begin 60 days after such
110 certification or July 1, 2016, whichever is later, and continue
111 for not more than 20 years to each certified applicant as
112 defined in s. 288.11631 for a facility used by a single spring
113 training franchise or not more than 25 years to each certified
114 applicant as defined in s. 288.11631 for a facility used by more
115 than one spring training franchise. A certified applicant
116 identified in this sub-subparagraph may not receive more in

Amendment No. 1

117 distributions than expended by the applicant for the public
118 purposes provided in s. 288.11631(3).

119 d. The department shall distribute \$15,333 monthly to the
120 State Transportation Trust Fund.

121 e.(I) On or before July 25, 2021, August 25, 2021, and
122 September 25, 2021, the department shall distribute \$324,533,334
123 in each of those months to the Unemployment Compensation Trust
124 Fund, less an adjustment for refunds issued from the General
125 Revenue Fund pursuant to s. 443.131(3)(e)3. before making the
126 distribution. The adjustments made by the department to the
127 total distributions shall be equal to the total refunds made
128 pursuant to s. 443.131(3)(e)3. If the amount of refunds to be
129 subtracted from any single distribution exceeds the
130 distribution, the department may not make that distribution and
131 must subtract the remaining balance from the next distribution.

132 (II) Beginning July 2022, and on or before the 25th day of
133 each month, the department shall distribute \$90 million monthly
134 to the Unemployment Compensation Trust Fund.

135 (III) If the ending balance of the Unemployment
136 Compensation Trust Fund exceeds \$4,071,519,600 on the last day
137 of any month, as determined from United States Department of the
138 Treasury data, the Office of Economic and Demographic Research
139 shall certify to the department that the ending balance of the
140 trust fund exceeds such amount.

141 (IV) This sub-subparagraph is repealed, and the department

Amendment No. 1

142 shall end monthly distributions under sub-sub-subparagraph (II),
143 on the date the department receives certification under sub-sub-
144 subparagraph (III).

145 f. Beginning July 1, 2023, in each fiscal year, the
146 department shall distribute \$27.5 million to the Florida
147 Agricultural Promotional Campaign Trust Fund under s. 571.26,
148 for further distribution in accordance with s. 571.265. This
149 sub-subparagraph is repealed June 30, 2025.

150 g. Beginning July 2024, and on or before the 25th day of
151 each month thereafter, the department shall distribute to the
152 State Transportation Trust Fund one-twelfth of the amount
153 estimated by the Revenue Estimating Conference pursuant to s.
154 216.137(4) for that state fiscal year. This sub-subparagraph is
155 repealed June 30, 2027.

156 7. All other proceeds must remain in the General Revenue
157 Fund.

158 Section 3. (1) The Legislature recognizes that the
159 continued adoption of electric vehicles and plug-in hybrid
160 electric vehicles will have significant effects on state tax
161 collections and the State Transportation Trust Fund over the
162 coming years. To better understand these effects, the
163 Legislature finds the following actions are necessary:

164 (a) The Legislative Office of Economic and Demographic
165 Research shall produce a report that estimates the long-term
166 impact on the State Transportation Trust Fund, the impact on

Amendment No. 1

167 sales tax and gross receipts tax revenues expected to result
168 from the continuing adoption of electric vehicles and plug-in
169 hybrid electric vehicles in the state, and the percentage of
170 users that utilize residential charging stations rather than
171 commercial charging stations. The report must also consider
172 federal policies that incentivize or promote electric vehicles
173 and the impact of such policies on the speed of continued
174 adoption of such vehicles.

175 (b) The Department of Transportation and the Department of
176 Revenue shall provide assistance to the Office of Economic and
177 Demographic Research in producing the report required by
178 paragraph (a).

179 (c) The report required by paragraph (a) shall be
180 submitted to the Governor, the President of the Senate, and the
181 Speaker of the House of Representatives by December 1, 2026, and
182 shall be used by the 2027 Legislature to consider potential

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 471 Valuation of Timeshare Units
SPONSOR(S): Fine
TIED BILLS: **IDEN./SIM. BILLS:** SB 886

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Ways & Means Committee		Berg	Aldridge
2) Commerce Committee			

SUMMARY ANALYSIS

Under Florida law, a property appraiser must first look to the resale market to value timeshare property. If the property appraiser determines that there is an inadequate number of resales to provide a basis for determining value, the property appraiser must use the original purchase price of the timeshare and then deduct "usual and reasonable fees and costs of the sale" to determine value.

The bill provides that, upon an appeal of a property appraiser's valuation of timeshare units that are part of a timeshare development with more than 300 timeshare units, the number of resales is deemed to be adequate if the taxpayer provides a reasonable number of resales as supported by the most recent standards adopted by the Uniform Standards of Professional Appraisal Practice.

The bill provides that this method meets the requirement of just valuation of all property, including timeshare units, as required under s. 4, Art. VII of the State Constitution. Additionally, under the bill, the taxpayer may submit the known and controlling resales of the properties sold to assist in arriving at value conclusions.

The bill does not have an effect on state government revenues or expenditures. However, the Revenue Estimating Conference estimates that the bill would have a recurring negative impact on local government property tax revenues of \$171.5 million (\$65.6 million school taxes; \$105.9 million non-school taxes), beginning in FY 2024-25.

The bill is effective July 1, 2024.

This bill may be a county or municipality mandate requiring a two-thirds vote of the membership of the House. See Section III.A.1 of the analysis.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

Property Taxes in Florida

The Florida Constitution reserves ad valorem taxation to local governments and prohibits the state from levying ad valorem taxes on real and tangible personal property.¹ The ad valorem tax is an annual tax levied by counties, municipalities, school districts, and some special districts based on the value of real and tangible personal property as of January 1 of each year.² The Florida Constitution requires that all property be assessed at just value for ad valorem tax purposes,³ and it provides for specified assessment limitations, property classifications, and exemptions.⁴ After the property appraiser considers any assessment limitation or use classification affecting the just value of a property, an assessed value is produced. The assessed value is then reduced by any exemptions to produce the taxable value.⁵

Timeshares

A timeshare interest is a form of ownership of real and personal property.⁶ In a timeshare, multiple parties hold the right to use a condominium unit or a cooperative unit. Each owner of a timeshare interest is allotted a period of time during which the owner has the exclusive right to use the property.

The Florida Vacation Plan and Timesharing Act, ch. 721, F.S., establishes requirements for the creation, sale, exchange, promotion, and operation of timeshare plans, including requirements for full and fair disclosure to purchasers and prospective purchasers.⁷ Chapter 721, F.S., applies to all timeshare plans consisting of more than seven timeshare periods over a period of at least three years in which the accommodations and facilities are located within this state or offered within this state.⁸ Part I of ch. 721, F.S., relates to vacation plans and timesharing, and Part II of chapter 721, F.S., relates to multisite vacation and timeshare plans that are also known as vacation clubs.

A timeshare unit is an accommodation of a timeshare plan which is divided into timeshare periods or a condominium unit in which timeshare estates have been created.⁹

A “timeshare estate” is a right to occupy a timeshare unit, coupled with a freehold estate or an estate for years with a future interest in a timeshare property or a specified portion thereof.¹⁰ The term also includes an interest in a condominium unit, a cooperative unit, or a trust. Whether the term includes both direct and indirect interests in trusts is not specified. An example of an indirect interest in a trust is the interest of a trust beneficiary’s spouse or other dependent.

¹ Art. VII, s. 1(a), Fla. Const.

² S. 192.001(12), F.S., defines “real property” as land, buildings, fixtures, and all other improvements to land. The terms “land,” “real estate,” “realty,” and “real property” may be used interchangeably. S. 192.001(11)(d), F.S., defines “tangible personal property” as all goods, chattels, and other articles of value (but does not include the vehicular items enumerated in Art. VII, s. 1(b), Fla. Const., and elsewhere defined) capable of manual possession and whose chief value is intrinsic to the article itself.

³ Art. VII, s. 4, Fla. Const.

⁴ Art. VII, ss. 3, 4, and 6, Fla. Const.

⁵ S. 196.031, F.S.

⁶ See s. 721.05(36), F.S.

⁷ S. 721.02(2) and (3), F.S.

⁸ S. 721.03, F.S.

⁹ See ss. 721.05(41) and 718.103(26), F.S.

¹⁰ S. 721.05(34), F.S.

The “managing entity” for a timeshare property is the person who operates or maintains the timeshare plan pursuant to s. 721.13(1), F.S., which defines the managing entity as either the developer, a separate manager or management firm, or an owners' association.¹¹

Tax Assessments

Section 192.037, F.S., governs the ad valorem taxation of fee timeshare real property.¹² The managing entity responsible for operating and maintaining fee timeshare real property is considered the taxpayer as an agent of the timeshare period titleholder.¹³

The managing entity responsible for operating and maintaining the timesharing plan and each person having a fee interest in a timeshare unit or timeshare period may contest or appeal an ad valorem tax assessment in the same manner as other property owners under ch. 194, F.S., which relates to the administrative and judicial review of property taxes assessed by the property appraiser.¹⁴

The managing entity is required to collect and remit the taxes and special assessments due on fee timeshare real property. In allocating taxes, special assessments, and common expenses to individual timeshare period titleholders, the managing entity must clearly label the portion of any amounts due which are attributable to ad valorem taxes and special assessments.¹⁵

A property appraiser must first look to the resale market for determining the value of timeshare property.¹⁶ In order for resales to meet the definition of “fair market” value, those resales must constitute arms-length transactions.¹⁷ If the property appraiser finds an inadequate number of resales exists for such a determination, the property appraiser must determine the value by deducting the “usual and reasonable fees and costs of the sale” from the original purchase price.¹⁸

The term “usual and reasonable fees and costs of the sale” for timeshare real property includes all marketing costs, atypical financing costs, and those costs attributable to the right of a timeshare unit owner or user to participate in an exchange network of resorts.¹⁹ For timeshare real property, the “usual and reasonable fees and costs of the sale” is presumed to be 50 percent of the original purchase price, but that presumption is rebuttable.²⁰

Section 4, Art. VII of the State Constitution requires regulations for securing a just valuation of all property to be prescribed by general law subject to the conditions in this section, including providing that no assessment may exceed just value.

Litigation

The valuation of timeshare properties has been the subject of recent litigation and is the subject of ongoing litigation.²¹ In Star Island Vacation Ownership Ass'n v. Scarborough, 313 So. 3d 1168 (Fla. Dist. Ct. App. 2021), the Fifth District Court of Appeals per curiam affirmed the ruling of the circuit court

¹¹ See s. 721.02(22), F.S., defining the term “managing entity.”

¹² S. 192.001(14), F.S., defines the term “fee timeshare real property” to mean “the land and buildings and other improvements to land that are subject to timeshare interests which are sold as a fee interest in real property.”

¹³ S. 192.001(15), F.S., defines the term “timeshare period titleholder” to mean “the purchaser of a timeshare period sold as a fee interest in real property, whether organized under ch. 718, F.S., relating to condominium associations, or ch. 721, F.S., relating to timeshares and vacation plans.

¹⁴ S. 192.037(4), F.S.

¹⁵ S. 192.037(5), F.S.

¹⁶ S. 192.037(10), F.S.

¹⁷ Star Island v. Scarborough, case no. 2016-CA-1006-OC, 9th Cir. Ct. Fla. 2019.

¹⁸ S. 192.037(11), F.S.

¹⁹ S. 192.037(11), F.S.

²⁰ S. 192.037(11), F.S.

²¹ See, e.g., the following pending cases from 9th Cir. Ct. Fla.: Grande Vista vs. Rick Singh, case no. 2018-CA-013570-O, Isle of Bali II Condominium Association vs. Amy Mercado, case no. 2021-CA-006130-O, Sabal Palms Condominium Association vs. Rick Singh, case no. 2019-CA-015110-O, and Cypress Pointe Resort vs. Amy Mercado, case no. 2021-CA-006108-O.

that the resale market of timeshares does not provide a sufficient basis for obtaining reliable resale data.²²

In Star Island, the Property Appraiser presented evidence that during the year at issue (2014), out of approximately 25,000 total sales of timeshares, only 3,790 were classified as resales.²³ Of those resales, approximately 90% were transacted for nominal amounts which removed them from consideration for valuation purposes.²⁴ The Property Appraiser also presented evidence that the exceedingly large number of resales at nominal amounts reflected significant financial distress in the overall market.²⁵ The remaining number of resales constituted less than 1.7% of the total timeshare sales market each year.²⁶ When evaluating the sales from the viewpoint of total sales consideration, the resale market constituted less than 1% of the total sales of timeshares.²⁷

While there were hundreds of developer sales each year that clearly qualified as arms-length transactions reflective of just value, the resales showed no consistent trend in pricing, and, accordingly, the court agreed with the Property Appraiser that there were not a sufficient number (only 4 resales potentially qualified as arms-length transactions) to support an accurate, credible, and reliable value conclusion.²⁸ In sum, the court concluded that the resale market does not provide a sufficient basis for obtaining reliable sales data.²⁹

Effect of Proposed Changes

The bill amends s. 192.037, F.S., to require the property appraiser to defer to the taxpayer for the determination of whether the number of resales is adequate if, on appeal of the tax assessment for a timeshare unit that is part of a timeshare development with more than 300 timeshare units, the taxpayer asserts that there is an adequate number of resales to provide a basis for arriving at a value and provides a reasonable number of resales as would be supported by the Uniform Standards of Professional Appraisal Practice.³⁰

The bill further provides that this method meets the requirement of just valuation of all property, as provided in s. 4, Art. VII of the State Constitution. Additionally, under the bill, the taxpayer may submit known and controlling resales of the properties sold to assist in arriving at value conclusions.

The bill is effective July 1, 2024.

B. SECTION DIRECTORY:

Section 1: Amends s. 192.037, F.S., relating to fee timeshare real property; taxes and assessments; escrow.

Section 2: Provides an effective date of July 1, 2024.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

²² Star Island v. Scarborough, case no. 2016-CA-1006-OC, 9th Cir. Ct. Fla. 2019.

²³ *Id.*

²⁴ *Id.*

²⁵ *Id.*

²⁶ *Id.*

²⁷ *Id.*

²⁸ *Id.*

²⁹ *Id.*

³⁰ Adopted by Congress in 1989, the Uniform Standards of Professional Appraisal Practice are the generally recognized ethical and performance standards for the appraisal profession in the United States. See The Appraisal Foundation, *What is UPAP?*, available at: https://www.appraisalfoundation.org/imis/TAF/Standards/Appraisal_Standards/Uniform_Standards_of_Professional_Appraisal%20Practice/TAF/USPAP.aspx (last visited January 24, 2024).

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

The Revenue Estimating Conference estimates that the bill would have a recurring negative impact on local government property tax revenues of \$171.5 million (\$65.6 million school taxes; \$105.9 million non-school taxes), beginning in FY 2024-25.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Individuals and businesses having an interest in a timeshare unit or timeshare period may benefit from a reduction in assessed ad valorem taxes.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The county/municipality mandates provision of Art. VII, section 18, of the Florida Constitution may apply because this bill may reduce the authority of cities and counties to raise total aggregate revenues. This bill does not appear to qualify under any exemption or exception. If the bill does qualify as a mandate, final passage must be approved by two-thirds of the membership of each house of the Legislature.

2. Other:

The bill provides that the valuation methodology provided for in the bill meets the requirement of just valuation of all property, as provided in s. 4, Art. VII of the State Constitution. The authority to make this determination vests with the judicial branch of state government.³¹

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

The Department of Revenue noted in its agency analysis that the "statutory amendment [providing for assessment at less than just value] could create very significant difficulties in administration because it appears to reverse and/or potentially contradict the just value requirements outlined in s. 194.301, F.S."³²

³¹ See Art. V, s. 1., and Art. III, s. 3., Fla. Const.

³² Department of Revenue, 2024 Agency Legislative Bill Analysis of HB 471 (on file with the Ways & Means Committee).

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

1 A bill to be entitled
 2 An act relating to valuation of timeshare units;
 3 amending s. 192.037, F.S.; specifying the methodology
 4 by which certain timeshare units must be valued in
 5 certain tax appeals; providing that the methodology
 6 meets the constitutional mandate for just valuation;
 7 authorizing a taxpayer to submit certain information
 8 for a specified purpose; providing an effective date.

9
 10 Be It Enacted by the Legislature of the State of Florida:

11
 12 Section 1. Subsection (12) of section 192.037, Florida
 13 Statutes, is renumbered as subsection (13), and a new subsection
 14 (12) is added to that section to read:

15 192.037 Fee timeshare real property; taxes and
 16 assessments; escrow.—

17 (12) In all tax appeals regarding timeshare units that are
 18 part of a timeshare development with more than 300 timeshare
 19 units, if the taxpayer asserts that there are an adequate number
 20 of resales to provide a basis for arriving at value conclusions,
 21 the number of resales shall be considered adequate when a
 22 reasonable number of resales of timeshare units within the same
 23 timeshare development are provided by the taxpayer and supported
 24 by the most recent standards adopted by the Uniform Standards of
 25 Professional Appraisal Practice. This methodology meets the

HB471

2024

26 requirement of just valuation of all real estate located in this
27 state, including timeshare units, as recognized by and provided
28 in s. 4, Art. VII of the State Constitution. The taxpayer may
29 submit the known and controlling resales of the properties sold
30 to assist in arriving at value conclusions.

31 Section 2. This act shall take effect July 1, 2024.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 609 Local Business Taxes
SPONSOR(S): Botana and others
TIED BILLS: **IDEN./SIM. BILLS:** SB 1144

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Ways & Means Committee		Berg	Aldridge
2) Local Administration, Federal Affairs & Special Districts Subcommittee			
3) State Affairs Committee			

SUMMARY ANALYSIS

The local business tax authorized under Chapter 205, F.S., represents the taxes charged and the method by which a local government authority grants the privilege of engaging in or managing any business, profession, or occupation within its jurisdiction. Counties and municipalities may levy a business tax, and the tax proceeds are considered general revenue for the local government. This tax does not refer to any regulatory fees or licenses paid to any board, commission, or officer for permits, registration, examination, or inspection.

The bill repeals Chapter 205, F.S., and makes conforming changes to Florida statutes.

The bill has an effective date of July 1, 2024.

The Revenue Estimating Conference estimates the bill would have no impact on state government revenues and would have a recurring impact on local government revenues of -\$220.4 million dollars beginning in FY 2024-25.

This bill may be a county or municipality mandate requiring a two-thirds vote of the membership of the House. See Section III.A.1 of the analysis.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

Background

The local business tax, authorized in Chapter 205, F.S., represents the fees charged and the method by which a local government authority grants the privilege of engaging in or managing any business, profession, or occupation within its jurisdiction. Counties and municipalities may levy a business tax, and the tax proceeds are considered general revenue for the local government.¹ This tax does not refer to any regulatory fees or licenses paid to any board, commission, or officer for permits, registration, examination, or inspection.²

Prior to 1972, the state imposed an occupational license tax and shared the revenues with the counties. Municipalities levied their own occupational license taxes pursuant to local ordinance or resolution. Counties had no authority to levy an occupational license tax until October 1, 1972, when Chapter 72-306, Laws of Florida, repealed the state tax and authorized both counties and cities to impose an occupational tax at the state or city rate then in effect. In 1980, the legislature authorized counties and municipalities to increase rates by a specified percentage based upon the rates then in effect.³ In 1986, the legislature authorized Miami-Dade, Broward, Monroe and Collier counties to increase their rates by an additional 50%, with the proceeds being dedicated to specified economic development activities.⁴

Effective January 1, 2007, the legislature changed the name of the Local Occupational License Tax to the Local Business Tax.⁵ This was done in response to some individuals representing that the fact that they had obtained an “occupational license” under Chapter 205, F.S., conferred upon them some type of official proof of their competency to perform various repairs and services. The name change was intended to clarify that the payments made under Chapter 205, F.S., were taxes and not some type of regulatory fee.

Administrative Procedures

In order to levy a business tax, the governing body must first give at least 14 days of public notice between the first and last reading of the resolution or ordinance by publishing a notice in a newspaper of general circulation within its jurisdiction as defined by law.⁶ The public notice must contain the proposed classifications and rates applicable to the business tax.⁷ A number of other conditions for levy are imposed on counties and municipalities.⁸

For purposes of Chapter 205, F.S., the terms “business,” “profession,” and “occupation” do not include the customary religious, charitable, or educational activities of nonprofit religious, nonprofit charitable, and nonprofit educational institutions in the state.⁹ These institutions are more particularly defined and limited in statute.¹⁰ The term “receipt” means the document that is issued by the local governing

¹ Sections 205.033 and 205.042, F.S.

² Section 205.022(5), F.S.

³ Chapter 80-274, L.O.F.

⁴ Chapter 86-298, L.O.F.

⁵ Chapter 2006-152, L.O.F.

⁶ Sections 205.033 and 205.042, F.S.

⁷ Id.

⁸ Sections 205.033 and 205.043, F.S.

⁹ Section 205.022(1), F.S.

¹⁰ Id.

authority which bears the words “Local Business Tax Receipt” and evidences that the person in whose name the document is issued has complied with the provisions of Chapter 205, F.S., relating to the business tax.¹¹

The governing body of a municipality that levies the tax may request that the county in which the municipality is located issue the municipal receipt and collect the tax.¹² The governing body of a county that levies the tax may request that municipalities within the county issue the county receipt and collect the tax.¹³ However, before any local government issues any business receipts on behalf of another local government, appropriate agreements must be entered into by the affected local governments.¹⁴ All business tax receipts are sold by the appropriate tax collector beginning July 1st of each year.¹⁵ The taxes are due and payable on or before September 30th of each year, and the receipts expire on September 30th of the succeeding year.¹⁶ In several situations, administrative penalties are also imposed.¹⁷

New Tax Levies

A county or municipality that has not yet adopted a business tax ordinance or resolution may adopt a business tax ordinance pursuant to s. 205.0315, F.S. The tax rate structure and classifications in the adopted ordinance must be reasonable and based upon the rate structure and classifications prescribed in ordinances adopted by adjacent local governments that have implemented a local business tax.¹⁸ If no adjacent local government has implemented a local business tax, or if the governing body of the county or municipality finds that the rate structures or classifications of adjacent local governments are unreasonable, then an alternative method is authorized. In such a case, the rate structure or classifications prescribed in the ordinance of the local government seeking to impose the tax may be based upon those prescribed in ordinances adopted by local governments that have implemented a local business tax, in counties or municipalities that have a comparable population.¹⁹

Tax Base/Rate Restructuring

Currently, counties and municipalities with an existing local business tax may not reclassify businesses, professions, and occupations.²⁰ However, those counties and municipalities that underwent a reclassification and rate structure revision pursuant to s. 205.0535, F.S., prior to October 1, 1995, or during a window of time available from July 1, 2007, through October 1, 2008, for certain municipalities may, every other year, increase or decrease by ordinance the rates of business taxes by up to 5 percent.²¹ However, an increase may not be enacted by less than a majority plus one vote of the governing body.²² A county or municipality is not prohibited from decreasing or repealing any authorized local business tax.²³

¹¹ Section 205.022(2), F.S.

¹² Section 205.045, F.S.

¹³ Id.

¹⁴ Id.

¹⁵ Section 205.053, F.S.

¹⁶ Id.

¹⁷ Id.

¹⁸ Section 205.0315, F.S..

¹⁹ Id.

²⁰ Section 205.0535, F.S.

²¹ Section 205.0535(4), F.S.

²² Id.

²³ Id.

Exemptions

Chapter 205, F.S., provides several exemptions and exclusions from local business taxes. Customary religious, charitable, or educational activities of nonprofit religious, nonprofit charitable, and nonprofit educational institutions are excluded from the definition of “business,” “profession,” and “occupation” and are thereby excluded from paying local business taxes.²⁴ There is an optional partial exemption for businesses located in enterprise zones.²⁵ The delivery and transportation of tangible personal property by a business that is otherwise required to pay a local business tax may not be charged a separate local business tax for such delivery or transportation service.²⁶ There are also exemptions for persons engaged in specified farming activities,²⁷ certain nonresident persons regulated by the Department of Professional Regulation,²⁸ certain employees of businesses that are required to pay a local business tax,²⁹ certain disabled persons, the aged, and widows with minor dependents,³⁰ disabled veterans of any war or their unremarried spouses,³¹ and certain mobile home setup operations.³² Charitable, religious, fraternal, youth, civic, service, or other similar organization that make occasional sales or engage in fundraising projects that are performed exclusively by the members where the proceeds derived from the activities are used exclusively in the charitable, religious, fraternal, youth, civic and service activities of the organization are also exempt.³³

Regulatory Provisions

Section 205.194, F.S., provides that any person applying for or renewing a local business tax receipt to practice any profession or engage in or manage any business or occupation regulated by the Department of Business and Professional Regulation, the Florida Supreme Court, or any other state regulatory agency, including any board or commission thereof, must exhibit an active state certificate, registration, or license, or proof of copy of the same, before such local receipt may be issued.

Sections 205.196, 205.1965, 205.1967, 205.1969, 205.1971, 205.1973 and 205.1975, F.S., provide similar requirements for production of evidence of appropriate licensure prior to issuance of a business tax receipt for pharmacies and pharmacists, assisted living facilities, pest control, health studios, sellers of travel and telemarketing businesses, respectively.

Distribution of Revenues

The revenues derived from the business tax imposed by county governments, exclusive of the costs of collection and any credit given for municipal business taxes, are apportioned between the county’s unincorporated area and the incorporated municipalities located within the county by a ratio derived by dividing their respective populations by the county’s total population.³⁴ Within 15 days following the month of receipt, the apportioned revenues are sent to each governing authority; however, this provision does not apply to counties that have established a new rate structure pursuant to s. 205.0535, F.S.³⁵

²⁴ Section 205.022(1), F.S.

²⁵ Section 205.054, F.S.

²⁶ Section 205.063, F.S.

²⁷ Section 205.064, F.S.

²⁸ Section 205.065, F.S.

²⁹ Section 205.066, F.S.

³⁰ Section 205.162, F.S.

³¹ Section 205.171, F.S.

³² Section 205.193, F.S.

³³ Section 205.192, F.S.

³⁴ Section 205.033(4), F.S.

³⁵ Section 205.033(5), F.S.

Authorized Uses of Revenues

The tax proceeds are considered general revenue for the county or municipality. Additionally, the county business tax proceeds may be used for overseeing and implementing a comprehensive economic development strategy through advertising, promotional activities and other sales and marketing techniques.³⁶ The proceeds of the additional county business tax imposed pursuant to s. 205.033(6), F.S., shall be distributed by the county's governing body to a designated organization or agency for the purpose of implementing a comprehensive economic development strategy through advertising, promotional activities, and other sales and marketing techniques.³⁷

Total Revenues Collected

In fiscal year 2019-20, the last year for which complete and final data is available, counties collected a total of \$28.5 million of local business tax revenue.³⁸ In that same fiscal year, municipalities collected a total of \$168.4 million of local business tax revenue.³⁹

Effect of Proposed Changes

The bill would repeal Chapter 205, F.S., and would make conforming changes to Florida statutes to eliminate references to the chapter.

B. SECTION DIRECTORY:

Section 1: Repeals Chapter 205, F.S.

Section 2: Amends s. 125.01047, F.S., to delete a reference to local business taxes.

Section 3: Amends s. 166.04465, F.S., to delete a reference to local business taxes.

Section 4: Amends s. 202.24(2)(c), F.S., to delete a reference to local business taxes.

Section 5: Amends s. 213.0535(4)(a), F.S., to delete a reference to local business taxes.

Section 6: Amends s. 213.756(2)(b), F.S., to delete a reference to local business taxes.

Section 7: Amends s. 213.055, F.S., to delete a reference to local business taxes.

Section 8: Amends s. 290.0057(1)(e), F.S., to delete a reference to local business taxes.

Section 9: Amends s. 330.41, F.S., to delete a reference to local business taxes.

Section 10: Amends s. 337.401(3)(f), F.S., conforming provisions to changes made by the bill.

Section 11: Redesignates specified paragraphs in s. 376.84(1), F.S., and amends s. 376.84(1)(d), F.S., to delete a reference to local business taxes.

Section 12: Renumbers specified subsections of s. 379.3761, F.S., and amends the same to delete a reference to local business taxes.

Section 13: Amends s. 482.071, F.S., to delete a reference to local business taxes.

³⁶ Section 205.033(7), F.S.

³⁷ Section 205.033(6)(b), F.S.

³⁸ Revenue Estimating Conference Workpapers for HB 609, Impact Conference dated December 8, 2023, available at http://edr.state.fl.us/Content/conferences/revenueimpact/archives/2024/_pdf/page36-39.pdf (last visited January 27, 2024).

³⁹ Id.

- Section 14: Redesignates specified paragraphs in s. 482.242, F.S., and amends s. 482.242(1)(a), F.S., to delete a reference to local business taxes.
- Section 15: Amends s. 489.127(1), F.S., to delete a reference to local business taxes.
- Section 16: Redesignates specified paragraphs in s. 489.128(1), F.S. and amends s. 489.128(1)(b), F.S., to delete a reference to local business taxes.
- Section 17: Amends s.489.131,F.S., to delete a reference to local business taxes.
- Section 18: Redesignates specified paragraphs in s. 489.532(1), F.S. and amends s. 489.532(1)(b), F.S., to delete a reference to local business taxes.
- Section 19: Renumbers 489.537(9), F.S., and amends the same to delete a reference to local business taxes.
- Section 20: Amends s. 500.12, F.S., to delete a reference to local business taxes.
- Section 21: Amends s. 500.511(3), to delete a reference to local business taxes.
- Section 22: Renumbers specified subsection in s. 501.015, F.S., and amends subsection (7) of that section to delete a reference to local business taxes.
- Section 23: Amends s. 501.016, F.S., to delete a reference to local business taxes.
- Section 24: Amends s. 501.160, F.S., to delete a reference to local business taxes.
- Section 25: Amends s. 507.13, F.S., to delete a reference to local business taxes.
- Section 26: Amends s. 539.001, F.S., to delete a reference to local business taxes.
- Section 27: Amends. S. 559.904, F.S., to delete a reference to local business taxes.
- Section 28: Amends s. 559.928, F.S., to delete a reference to local business taxes.
- Section 29: Amends s. 559.9281, F.S., to delete a reference to local business taxes.
- Section 30: Amends s. 559.935, F.S., to delete a reference to local business taxes.
- Section 31: Amends s. 559.939, F.S., to delete a reference to local business taxes.
- Section 32: Amends s. 559.955, F.S., to delete a reference to local business taxes.
- Section 33: Amends s. 616.12, F.S., to delete a reference to local business taxes.
- Section 34. Provides an effective date of July 1, 2024

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

The Revenue Estimating Conference estimated the bill to have a recurring impact on local government revenues of -\$220.4 million in fiscal year 2024-25.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Persons and businesses currently paying a local business tax would no longer be required to do so.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The county/municipality mandates provision of Art. VII, section 18, of the Florida Constitution may apply because this bill eliminates the local businesses taxes authorized under Chapter 205, F.S. This bill does not appear to qualify under any exemption or exception. If the bill does qualify as a mandate, final passage must be approved by two-thirds of the membership of each house of the Legislature.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

Conforming changes may also be needed to sections 489.119(4), 489.516(3), 489.521(6), and 489.5315, F.S.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

26 services.—

27 (2) The prohibition set forth in subsection (1) does not
 28 affect a county's authority to÷

29 ~~(a) Levy a reasonable business tax under s. 205.0315, s.~~
 30 ~~205.033, or s. 205.0535.~~

31 ~~(b)~~ impose and collect a reasonable administrative fee or
 32 charge on the registered owner or other legally authorized
 33 person in control of a vehicle or vessel, not to exceed 25
 34 percent of the maximum towing rate, to cover the cost of
 35 enforcement, including parking enforcement, by the county when
 36 the vehicle or vessel is towed from public property. An
 37 authorized wrecker operator or towing business may impose and
 38 collect the administrative fee or charge on behalf of the county
 39 and shall remit such fee or charge to the county only after it
 40 is collected.

41 (3)

42 (b) A charter county may impose and collect an
 43 administrative fee or charge as provided in subsection (2)
 44 ~~paragraph (2) (b)~~ but may not impose such fee or charge on a
 45 towing business or an authorized wrecker operator. If the
 46 charter county imposes such administrative fee or charge, the
 47 charter county may authorize a towing business or authorized
 48 wrecker operator to impose and collect such fee or charge on
 49 behalf of the county, and the towing business or authorized
 50 wrecker operator shall remit such fee or charge to the charter

51 county only after it is collected.

52 (4)

53 (b) A charter county may impose and collect an
 54 administrative fee or charge as provided in subsection (2)
 55 ~~paragraph (2)(b)~~; however, it may not impose that fee or charge
 56 upon a towing business or an authorized wrecker operator. If
 57 such charter county imposes such administrative fee or charge,
 58 such fee or charge must be imposed on the registered owner or
 59 other legally authorized person in control of a vehicle or
 60 vessel. The fee or charge may not exceed 25 percent of the
 61 maximum towing rate to cover the cost of enforcement, including
 62 parking enforcement, by the charter county when the vehicle or
 63 vessel is towed from public property. The charter county may
 64 authorize an authorized wrecker operator or towing business to
 65 impose and collect the administrative fee or charge on behalf of
 66 the charter county, and the authorized wrecker operator or
 67 towing business shall remit such fee or charge to the charter
 68 county only after it is collected.

69 Section 3. Subsection (2) of section 166.04465, Florida
 70 Statutes, is amended to read:

71 166.04465 Rules and ordinances relating to towing
 72 services.—

73 (2) The prohibition set forth in subsection (1) does not
 74 affect a municipality's authority to:

75 ~~(a) Levy a reasonable business tax under s. 205.0315, s.~~

76 | ~~205.043, or s. 205.0535.~~

77 | ~~(b)~~ impose and collect a reasonable administrative fee or
 78 | charge on the registered owner or other legally authorized
 79 | person in control of a vehicle or vessel, not to exceed 25
 80 | percent of the maximum towing rate, to cover the cost of
 81 | enforcement, including parking enforcement, by the municipality
 82 | when the vehicle or vessel is towed from public property. An
 83 | authorized wrecker operator or towing business may impose and
 84 | collect the administrative fee or charge on behalf of the
 85 | municipality and shall remit such fee or charge to the
 86 | municipality only after it is collected.

87 | Section 4. Paragraph (c) of subsection (2) of section
 88 | 202.24, Florida Statutes, is amended to read:

89 | 202.24 Limitations on local taxes and fees imposed on
 90 | dealers of communications services.—

91 | (2)

92 | (c) This subsection does not apply to:

93 | 1. Local communications services taxes levied under this
 94 | chapter.

95 | 2. Ad valorem taxes levied pursuant to chapter 200.

96 | ~~3. Business taxes levied under chapter 205.~~

97 | 3.4. "911" service charges levied under chapter 365.

98 | 4.5. Amounts charged for the rental or other use of
 99 | property owned by a public body which is not in the public
 100 | rights-of-way to a dealer of communications services for any

101 purpose, including, but not limited to, the placement or
102 attachment of equipment used in the provision of communications
103 services.

104 ~~5.6.~~ Permit fees of general applicability which are not
105 related to placing or maintaining facilities in or on public
106 roads or rights-of-way.

107 ~~6.7.~~ Permit fees related to placing or maintaining
108 facilities in or on public roads or rights-of-way pursuant to s.
109 337.401.

110 ~~7.8.~~ Any in-kind requirements, institutional networks, or
111 contributions for, or in support of, the use or construction of
112 public, educational, or governmental access facilities allowed
113 under federal law and imposed on providers of video service
114 pursuant to any existing ordinance or an existing franchise
115 agreement granted by each municipality or county, under which
116 ordinance or franchise agreement service is provided before July
117 1, 2007, or as permitted under chapter 610. This subparagraph
118 does not prohibit providers of video service from recovering the
119 expenses as allowed under federal law.

120 ~~8.9.~~ Special assessments and impact fees.

121 ~~9.10.~~ Pole attachment fees that are charged by a local
122 government for attachments to utility poles owned by the local
123 government.

124 ~~10.11.~~ Utility service fees or other similar user fees for
125 utility services.

HB 609

2024

126 ~~11.12.~~ Any other generally applicable tax, fee, charge, or
127 imposition authorized by general law on July 1, 2000, which is
128 not specifically prohibited by this subsection or included as a
129 replaced revenue source in s. 202.20.

130 Section 5. Paragraph (a) of subsection (4) of section
131 213.0535, Florida Statutes, is amended to read:

132 213.0535 Registration Information Sharing and Exchange
133 Program.—

134 (4) There are two levels of participation:

135 (a) Each unit of state or local government responsible for
136 administering one or more of the provisions specified in
137 subparagraphs 1.-7. ~~1.-8.~~ is a level-one participant. Level-one
138 participants shall exchange, monthly or quarterly, as determined
139 jointly by each participant and the department, the data
140 enumerated in subsection (2) for each new registrant, new filer,
141 or initial reporter, permittee, or licensee, with respect to the
142 following taxes, licenses, or permits:

- 143 1. The sales and use tax imposed under chapter 212.
- 144 2. The tourist development tax imposed under s. 125.0104.
- 145 3. The tourist impact tax imposed under s. 125.0108.
- 146 ~~4. Local business taxes imposed under chapter 205.~~
- 147 4.5. Convention development taxes imposed under s.
148 212.0305.

149 5.6. Public lodging and food service establishment
150 licenses issued pursuant to chapter 509.

151 ~~6.7.~~ Beverage law licenses issued pursuant to chapter 561.
 152 ~~7.8.~~ A municipal resort tax as authorized under chapter
 153 67-930, Laws of Florida.

154 Section 6. Paragraph (b) of subsection (2) of section
 155 213.756, Florida Statutes, is amended to read:

156 213.756 Funds collected are state tax funds.—
 157 (2)

158 (b) This subsection applies to those taxes enumerated in
 159 s. 72.011, excluding chapter 202 and that portion of chapter 203
 160 collected thereunder, ~~and also applies to taxes imposed under~~
 161 ~~chapter 205.~~

162 Section 7. Paragraph (b) of subsection (3) of section
 163 213.055, Florida Statutes, is amended to read:

164 213.055 Declared emergency; waiver or suspension of
 165 specified revenue laws and other requirements.—
 166 (3)

167 (b)1. Notwithstanding any other law, an out-of-state
 168 business that is conducting operations within this state during
 169 a disaster-response period solely for purposes of performing
 170 emergency-related work or pursuant to a mutual aid agreement is
 171 not considered to have established a level of presence that
 172 would require that business to register, file, and remit state
 173 or local taxes or fees or require that business to be subject to
 174 any registration, licensing, or filing requirements in this
 175 state. For purposes of any state or local tax on or measured, in

176 whole or in part, by net or gross income or receipts, the
177 activity of the out-of-state business conducted in this state
178 during the disaster-response period must be disregarded with
179 respect to any filing requirements for such tax, including the
180 filing required for a consolidated group of which the out-of-
181 state business may be a part. This includes the following:

- 182 a. Reemployment assistance taxes.
- 183 b. State or local professional or occupational licensing
184 requirements or related fees.
- 185 ~~e. Local business taxes.~~
- 186 c.d. Taxes on the operation of commercial motor vehicles.
- 187 d.e. Corporate income tax.
- 188 e.f. Tangible personal property tax and use tax on
189 equipment that is brought into the state by the out-of-state
190 business, used by the out-of-state business only to perform
191 emergency-related work during the disaster-response period, and
192 removed from the state by the out-of-state business after the
193 disaster-response period.

194 2. Notwithstanding any other law, an out-of-state employee
195 whose only employment in this state is for the performance of
196 emergency-related work or pursuant to a mutual aid agreement
197 during a disaster-response period is not required to comply with
198 state or local occupational licensing requirements or related
199 fees.

200 Section 8. Paragraph (e) of subsection (1) of section

201 290.0057, Florida Statutes, is amended to read:

202 290.0057 Enterprise zone development plan.—

203 (1) Any application for designation as a new enterprise
 204 zone must be accompanied by a strategic plan adopted by the
 205 governing body of the municipality or county, or the governing
 206 bodies of the county and one or more municipalities together. At
 207 a minimum, the plan must:

208 (e) Commit the governing body or bodies to enact and
 209 maintain local fiscal and regulatory incentives, if approval for
 210 the area is received under s. 290.0065. These incentives may
 211 include the municipal public service tax exemption provided by
 212 s. 166.231, the economic development ad valorem tax exemption
 213 provided by s. 196.1995, ~~the business tax exemption provided by~~
 214 ~~s. 205.054~~, local impact fee abatement or reduction, or low-
 215 interest or interest-free loans or grants to businesses to
 216 encourage the revitalization of the nominated area.

217 Section 9. Paragraph (c) of subsection (3) of section
 218 330.41, Florida Statutes, is amended to read:

219 330.41 Unmanned Aircraft Systems Act.—

220 (3) REGULATION.—

221 (c) Except as otherwise expressly provided, a political
 222 subdivision may not withhold issuance of a business tax receipt,
 223 development permit, or other use approval to a drone delivery
 224 service or enact or enforce an ordinance or resolution that
 225 prohibits a drone delivery service's operation based on the

226 location of its drone port, notwithstanding part II of chapter
 227 163 ~~and chapter 205~~. A political subdivision may enforce minimum
 228 setback and landscaping regulations that are generally
 229 applicable to permitted uses in the drone port site's zoning
 230 district. This paragraph may not be construed to authorize a
 231 political subdivision to require additional landscaping as a
 232 condition of approval of a drone port.

233 Section 10. Paragraph (f) of subsection (3) of section
 234 337.401, Florida Statutes, is amended to read:

235 337.401 Use of right-of-way for utilities subject to
 236 regulation; permit; fees.—

237 (3)

238 (f) Except as expressly allowed or authorized by general
 239 law and except for the rights-of-way permit fees subject to
 240 paragraph (c), a municipality or county may not levy on a
 241 provider of communications services a tax, fee, or other charge
 242 or imposition for operating as a provider of communications
 243 services within the jurisdiction of the municipality or county
 244 which is in any way related to using its roads or rights-of-way.
 245 A municipality or county may not require or solicit in-kind
 246 compensation, except as otherwise provided in s. 202.24(2)(c)7.
 247 ~~s. 202.24(2)(c)8.~~, provided that the in-kind compensation is not
 248 a franchise fee under federal law. Nothing in this paragraph
 249 impairs the authority of a municipality or county to request
 250 public, educational, or governmental access channels pursuant to

HB 609

2024

251 s. 610.109. Nothing in this paragraph shall impair any ordinance
252 or agreement in effect on May 22, 1998, or any voluntary
253 agreement entered into subsequent to that date, which provides
254 for or allows in-kind compensation by a telecommunications
255 company.

256 Section 11. Paragraphs (e) through (o) of subsection (1)
257 of section 376.84, Florida Statutes, are redesignated as
258 paragraphs (d) through (n), respectively, and present paragraph
259 (d) of that subsection is amended, to read:

260 376.84 Brownfield redevelopment economic incentives.—It is
261 the intent of the Legislature that brownfield redevelopment
262 activities be viewed as opportunities to significantly improve
263 the utilization, general condition, and appearance of these
264 sites. Different standards than those in place for new
265 development, as allowed under current state and local laws,
266 should be used to the fullest extent to encourage the
267 redevelopment of a brownfield. State and local governments are
268 encouraged to offer redevelopment incentives for this purpose,
269 as an ongoing public investment in infrastructure and services,
270 to help eliminate the public health and environmental hazards,
271 and to promote the creation of jobs in these areas. Such
272 incentives may include financial, regulatory, and technical
273 assistance to persons and businesses involved in the
274 redevelopment of the brownfield pursuant to this act.

275 (1) Financial incentives and local incentives for

HB 609

2024

276 redevelopment may include, but not be limited to:

277 ~~(d) Waiver, reduction, or limitation by line of business~~
278 ~~with respect to business taxes pursuant to chapter 205.~~

279 Section 12. Subsections (5) and (6) of section 379.3761,
280 Florida Statutes, are renumbered as subsection (4) and (5),
281 respectively, and present subsection (4) of that section is
282 amended to read:

283 379.3761 Exhibition or sale of wildlife; fees;
284 classifications.—

285 ~~(4) The provisions of this section relative to licensing~~
286 ~~for exhibition do not apply to any municipal, county, state, or~~
287 ~~other publicly owned wildlife exhibit or any traveling zoo,~~
288 ~~circus, or exhibit licensed under chapter 205.~~

289 Section 13. Subsection (5) of section 482.071, Florida
290 Statutes, is amended to read:

291 482.071 Licenses.—

292 ~~(5) A license under this section is a prerequisite for the~~
293 ~~issuance of a local occupational license to engage in pest~~
294 ~~control, as provided in s. 205.1967.~~

295 Section 14. Paragraphs (b) through (g) of subsection (1)
296 of section 482.242, Florida Statutes, are redesignated as
297 paragraphs (a) through (f), respectively, and present paragraph
298 (a) of that subsection is amended, to read:

299 482.242 Preemption.—

300 (1) This chapter is intended as comprehensive and

301 exclusive regulation of pest control in this state. The
 302 provisions of this chapter preempt to the state all regulation
 303 of the activities and operations of pest control services,
 304 including the pesticides used pursuant to labeling and
 305 registration approved under part I of chapter 487. No local
 306 government or political subdivision of the state may enact or
 307 enforce an ordinance that regulates pest control, except that
 308 the preemption in this section does not prohibit a local
 309 government or political subdivision from enacting an ordinance
 310 regarding any of the following:

311 ~~(a) Local business taxes adopted pursuant to chapter 205.~~

312 Section 15. Subsection (1) of section 489.127, Florida
 313 Statutes, is amended to read:

314 489.127 Prohibitions; penalties.—

315 (1) No person shall:

316 (a) Falsely hold himself or herself or a business
 317 organization out as a licensee, certificateholder, or
 318 registrant;

319 (b) Falsely impersonate a certificateholder or registrant;

320 (c) Present as his or her own the certificate or
 321 registration of another;

322 (d) Knowingly give false or forged evidence to the board
 323 or a member thereof;

324 (e) Use or attempt to use a certificate or registration
 325 that has been suspended or revoked;

326 (f) Engage in the business or act in the capacity of a
 327 contractor or advertise himself or herself or a business
 328 organization as available to engage in the business or act in
 329 the capacity of a contractor without being duly registered or
 330 certified;

331 (g) Operate a business organization engaged in contracting
 332 after 60 days following the termination of its only qualifying
 333 agent without designating another primary qualifying agent,
 334 except as provided in ss. 489.119 and 489.1195;

335 (h) Commence or perform work for which a building permit
 336 is required pursuant to part IV of chapter 553 without such
 337 building permit being in effect; or

338 (i) Willfully or deliberately disregard or violate any
 339 municipal or county ordinance relating to uncertified or
 340 unregistered contractors.

341
 342 For purposes of this subsection, a person or business
 343 organization operating on an inactive or suspended certificate
 344 or registration is not duly certified or registered and is
 345 considered unlicensed. ~~A business tax receipt issued under the~~
 346 ~~authority of chapter 205 is not a license for purposes of this~~
 347 ~~part.~~

348 Section 16. Paragraph (c) of subsection (1) of section
 349 489.128, Florida Statutes, is redesignated as paragraph (b), and
 350 present paragraph (b) of that subsection is amended, to read:

351 489.128 Contracts entered into by unlicensed contractors
 352 unenforceable.—

353 (1) As a matter of public policy, contracts entered into
 354 on or after October 1, 1990, by an unlicensed contractor shall
 355 be unenforceable in law or in equity by the unlicensed
 356 contractor.

357 ~~(b) For purposes of this section, an individual or~~
 358 ~~business organization may not be considered unlicensed for~~
 359 ~~failing to have a business tax receipt issued under the~~
 360 ~~authority of chapter 205.~~

361 Section 17. Paragraph (c) of subsection (3) of section
 362 489.131, Florida Statutes, is amended to read:

363 489.131 Applicability.—

364 (3) Nothing in this part limits the power of a
 365 municipality or county:

366 (c) To collect ~~business taxes, subject to s. 205.065, and~~
 367 inspection fees for engaging in contracting or examination fees
 368 from persons who are registered with the board pursuant to local
 369 examination requirements ~~and issue business tax receipts.~~

370 ~~However, nothing in this part shall be construed to require~~
 371 ~~general contractors, building contractors, or residential~~
 372 ~~contractors to obtain additional business tax receipts for~~
 373 ~~specialty work when such specialty work is performed by~~
 374 ~~employees of such contractors on projects for which they have~~
 375 ~~substantially full responsibility and such contractors do not~~

376 ~~hold themselves out to the public as being specialty~~
377 ~~contractors.~~

378 Section 18. Paragraph (c) of subsection (1) of section
379 489.532, Florida Statutes, is redesignated as paragraph (b), and
380 present paragraph (b) of that subsection is amended, to read:

381 489.532 Contracts entered into by unlicensed contractors
382 unenforceable.—

383 (1) As a matter of public policy, contracts entered into
384 on or after October 1, 1990, by an unlicensed contractor shall
385 be unenforceable in law or in equity by the unlicensed
386 contractor.

387 ~~(b) For purposes of this section, an individual or~~
388 ~~business organization shall not be considered unlicensed for~~
389 ~~failing to have a business tax receipt issued under the~~
390 ~~authority of chapter 205.~~

391 Section 19. Subsection (9) of section 489.537, Florida
392 Statutes, is renumbered as subsection (8) and present subsection
393 (8) of that section is amended, to read:

394 489.537 Application of this part.—

395 ~~(8) Persons licensed under this part are subject to ss.~~
396 ~~205.0535(1) and 205.065, as applicable.~~

397 Section 20. Subsection (8) of section 500.12, Florida
398 Statutes, is amended to read:

399 500.12 Food permits; building permits.—

400 ~~(8) A person who applies for or renews a local business~~

401 ~~tax certificate to engage in business as a food establishment~~
 402 ~~must exhibit a current food permit or an active letter of~~
 403 ~~exemption from the department before the local business tax~~
 404 ~~certificate may be issued or renewed.~~

405 Section 21. Subsection (3) of section 500.511, Florida
 406 Statutes, is amended to read:

407 500.511 Fees; enforcement; preemption.—

408 (3) PREEMPTION OF AUTHORITY TO REGULATE.—Regulation of
 409 bottled water plants, water vending machines, water vending
 410 machine operators, and packaged ice plants is preempted by the
 411 state. No county or municipality may adopt or enforce any
 412 ordinance that regulates the licensure or operation of bottled
 413 water plants, water vending machines, or packaged ice plants,
 414 unless it is determined that unique conditions exist within the
 415 county which require the county to regulate such entities in
 416 order to protect the public health. ~~This subsection does not~~
 417 ~~prohibit a county or municipality from requiring a business tax~~
 418 ~~pursuant to chapter 205.~~

419 Section 22. Subsection (8) of section 501.015, Florida
 420 Statutes, is renumbered as subsection (7), and present
 421 subsection (7) of that section is amended, to read:

422 501.015 Health studios; registration requirements and
 423 fees.—Each health studio shall:

424 ~~(7) A person applying for or renewing a local business tax~~
 425 ~~receipt to engage in business as a health studio must exhibit an~~

426 ~~active registration certificate from the Department of~~
427 ~~Agriculture and Consumer Services before the local business tax~~
428 ~~receipt may be issued or reissued.~~

429 Section 23. Subsection (1) of section 501.016, Florida
430 Statutes, is amended to read:

431 501.016 Health studios; security requirements.—Each health
432 studio that sells contracts for health studio services shall
433 meet the following requirements:

434 (1) Each health studio shall maintain for each separate
435 business location a bond issued by a surety company admitted to
436 do business in this state. The principal sum of the bond must be
437 ~~\$25,000, and the bond, when required, must be obtained before a~~
438 ~~business tax receipt may be issued under chapter 205. Upon~~
439 ~~issuance of a business tax receipt, the licensing authority~~
440 ~~shall immediately notify the department of such issuance in a~~
441 ~~manner established by the department by rule.~~ The bond must be
442 in favor of the department for the benefit of a person injured
443 as a result of a violation of ss. 501.012-501.019. Liability for
444 injuries as a result of a violation of ss. 501.012-501.019 may
445 be determined in an administrative proceeding of the department
446 or through a civil action. However, claims against the bond or
447 certificate of deposit may only be paid by order of the
448 department in an administrative proceeding in amounts up to the
449 determined liability for the injuries. The aggregate liability
450 of the surety to all persons for all breaches of the conditions

HB 609

2024

451 of the bonds provided by this section may not exceed the amount
452 of the bond. The original surety bond required by this section
453 shall be filed with the department on a form adopted by
454 department rule.

455 Section 24. Subsection (8) of section 501.160, Florida
456 Statutes, is amended to read:

457 501.160 Rental or sale of essential commodities during a
458 declared state of emergency; prohibition against unconscionable
459 prices.—

460 ~~(8) Upon a declaration of a state of emergency by the~~
461 ~~Governor, in order to protect the health, safety, and welfare of~~
462 ~~residents, any person who offers goods and services for sale to~~
463 ~~the public during the duration of the emergency and who does not~~
464 ~~possess a business tax receipt under s. 205.032 or s. 205.042~~
465 ~~commits a misdemeanor of the second degree, punishable as~~
466 ~~provided in s. 775.082 or s. 775.083. During a declared~~
467 ~~emergency, this subsection does not apply to religious,~~
468 ~~charitable, fraternal, civic, educational, or social~~
469 ~~organizations. During a declared emergency and when there is an~~
470 ~~allegation of price gouging against the person, failure to~~
471 ~~possess a license constitutes reasonable cause to detain the~~
472 ~~person, provided that the detention shall only be made in a~~
473 ~~reasonable manner and only for a reasonable period of time~~
474 ~~sufficient for an inquiry into the circumstances surrounding the~~
475 ~~failure to possess a license.~~

476 Section 25. Paragraph (c) of subsection (1) of section
 477 507.13, Florida Statutes, is amended to read:

478 507.13 Local regulation.—

479 (1)

480 ~~(c) This section does not preempt a local government's~~
 481 ~~authority to levy a local business tax pursuant to chapter 205.~~

482 Section 26. Paragraph (g) of subsection (3) of section
 483 539.001, Florida Statutes, is redesignated as paragraph (f) and
 484 present paragraph (f) of that subsection is amended to read:

485 539.001 The Florida Pawnbroking Act.—

486 (3) LICENSE REQUIRED.—

487 ~~(f) Any person applying for or renewing a local~~
 488 ~~occupational license to engage in business as a pawnbroker must~~
 489 ~~exhibit a current license from the agency before the local~~
 490 ~~business tax receipt may be issued or reissued.~~

491 Section 27. Subsections (8) through (11) of section
 492 559.904, Florida Statutes, are renumbered as subsections (7)
 493 through (10), respectively, and present subsection (7) of that
 494 section is amended, to read:

495 559.904 Motor vehicle repair shop registration;
 496 application; exemption.—

497 ~~(7) Any person applying for or renewing a local business~~
 498 ~~tax receipt to engage in business as a motor vehicle repair shop~~
 499 ~~must exhibit an active registration certificate from the~~
 500 ~~department before the local business tax receipt may be issued~~

501 ~~or renewed.~~

502 Section 28. Subsections (5) through (9) of section
 503 559.928, Florida Statutes, are renumbered as subsections (4)
 504 through (8), respectively, and present subsection (4) of that
 505 section is amended, to read:

506 559.928 Registration.—

507 ~~(4) A person applying for or renewing a local business tax~~
 508 ~~receipt to engage in business as a seller of travel must exhibit~~
 509 ~~a current registration certificate from the department before~~
 510 ~~the local business tax receipt may be issued or reissued.~~

511 Section 29. Subsection (2) of section 559.9281, Florida
 512 Statutes, is amended to read:

513 559.9281 Student tour operators.—

514 (2) The department shall adopt rules to implement this
 515 section, including the establishment of the application
 516 procedures and minimum standards for those persons wishing to be
 517 approved as student tour operators under this section. At a
 518 minimum, a student tour operator must be registered and approved
 519 by the department as a seller of travel under s. 559.928,
 520 maintain security requirements provided under s. 559.929, and be
 521 current on all state ~~and local business~~ taxes.

522 Section 30. Subsection (6) of section 559.935, Florida
 523 Statutes, is amended to read:

524 559.935 Exemptions.—

525 (6) The department shall request from the Airlines

526 Reporting Corporation any information necessary to implement the
 527 provisions of subsection (2). ~~Persons claiming an exemption~~
 528 ~~under subsection (2) or subsection (3) must show a letter of~~
 529 ~~exemption from the department before a local business tax~~
 530 ~~receipt to engage in business as a seller of travel may be~~
 531 ~~issued or reissued.~~ If the department fails to issue a letter of
 532 exemption on a timely basis, the seller of travel shall submit
 533 to the department, through certified mail, an affidavit
 534 containing her or his name and address and an explanation of the
 535 exemption sought. ~~Such affidavit may be used in lieu of a letter~~
 536 ~~of exemption for the purpose of obtaining a business tax~~
 537 ~~receipt.~~ In any civil or criminal proceeding, the burden of
 538 proving an exemption under this section is on the person
 539 claiming such exemption. A letter of exemption issued by the
 540 department may not be used in, and has no bearing on, such
 541 proceedings.

542 Section 31. Section 559.939, Florida Statutes, is amended
 543 to read:

544 559.939 State preemption.—No municipality or county or
 545 other political subdivision of this state shall have authority
 546 to levy or collect any registration fee or tax, as a regulatory
 547 measure, or to require the registration or bonding in any manner
 548 of any seller of travel who is registered or complies with all
 549 applicable provisions of this part, unless that authority is
 550 provided for by special or general act of the Legislature. Any

551 ordinance, resolution, or regulation of any municipality or
 552 county or other political subdivision of this state which is in
 553 conflict with any provision of this part is preempted by this
 554 part. ~~The provisions of this section do not apply to any local~~
 555 ~~business tax levied pursuant to chapter 205.~~

556 Section 32. Paragraph (c) of subsection (2) of section
 557 559.955, Florida Statutes, is amended to read:

558 559.955 Home-based businesses; local government
 559 restrictions.—

560 (2) A home-based business that operates from a residential
 561 property as provided in subsection (3):

562 ~~(c) Is only subject to applicable business taxes under~~
 563 ~~chapter 205 in the county and municipality in which the home-~~
 564 ~~based business is located.~~

565 Section 33. Section 616.12, Florida Statutes, is amended
 566 to read:

567 616.12 Licenses upon certain shows; distribution of fees;
 568 exemptions.—

569 (1) Each person who operates any traveling show,
 570 exhibition, amusement enterprise, carnival, vaudeville, exhibit,
 571 minstrel, rodeo, theatrical, game or test of skill, riding
 572 device, dramatic repertoire, other show or amusement, or
 573 concession, including a concession operating in a tent,
 574 enclosure, or other temporary structure, within the grounds of,
 575 and in connection with, any annual public fair held by a fair

576 association shall pay the license taxes provided by law.
 577 However, if the association satisfies the requirements of this
 578 chapter, including securing the required fair permit from the
 579 department, the license taxes ~~and local business tax authorized~~
 580 ~~in chapter 205~~ are waived and the department shall issue a tax
 581 exemption certificate. The department shall adopt the proper
 582 forms and rules to administer this section, including the
 583 necessary tax exemption certificate, showing that the fair
 584 association has met all requirements and that the traveling
 585 show, exhibition, amusement enterprise, carnival, vaudeville,
 586 exhibit, minstrel, rodeo, theatrical, game or test of skill,
 587 riding device, dramatic repertoire, other show or amusement, or
 588 concession is exempt.

589 (2) Any fair association securing the required annual fair
 590 permit from the department is exempt from ~~local business tax as~~
 591 ~~defined by chapter 205~~, occupational permit fees, or any
 592 occupational taxes assessed by any county, municipality,
 593 political subdivision, agency, or instrumentality thereof.

594 Section 34. This act shall take effect July 1, 2024.

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	_____	(Y/N)
ADOPTED AS AMENDED	_____	(Y/N)
ADOPTED W/O OBJECTION	_____	(Y/N)
FAILED TO ADOPT	_____	(Y/N)
WITHDRAWN	_____	(Y/N)
OTHER		

1 Committee/Subcommittee hearing bill: Ways & Means Committee
 2 Representative Botana offered the following:

Amendment (with title amendment)

5 Remove everything after the enacting clause and insert:

6 Section 1. Subsection (2) of section 11.40, Florida

7 Statutes, is amended to read:

8 11.40 Legislative Auditing Committee.—

9 (2) Following notification by the Auditor General, the
 10 Department of Financial Services, the Division of Bond Finance
 11 of the State Board of Administration, the Governor or his or her
 12 designee, or the Commissioner of Education or his or her
 13 designee of the failure of a local governmental entity, district
 14 school board, charter school, or charter technical career center
 15 to comply with the applicable provisions within s. 11.45(5)-(7),
 16 s. 205.0535, s. 218.32(1), s. 218.38, or s. 218.503(3), the

Amendment No. 1

17 Legislative Auditing Committee may schedule a hearing to
18 determine if the entity should be subject to further state
19 action. If the committee determines that the entity should be
20 subject to further state action, the committee shall:

21 (a) In the case of a local governmental entity or district
22 school board, direct the Department of Revenue and the
23 Department of Financial Services to withhold any funds not
24 pledged for bond debt service satisfaction which are payable to
25 such entity until the entity complies with the law. The
26 committee shall specify the date that such action must begin,
27 and the directive must be received by the Department of Revenue
28 and the Department of Financial Services 30 days before the date
29 of the distribution mandated by law. The Department of Revenue
30 and the Department of Financial Services may implement this
31 paragraph.

32 (b) In the case of a special district created by:

33 1. A special act, notify the President of the Senate, the
34 Speaker of the House of Representatives, the standing committees
35 of the Senate and the House of Representatives charged with
36 special district oversight as determined by the presiding
37 officers of each respective chamber, the legislators who
38 represent a portion of the geographical jurisdiction of the
39 special district, and the Department of Economic Opportunity
40 that the special district has failed to comply with the law.
41 Upon receipt of notification, the Department of Economic

Amendment No. 1

42 Opportunity shall proceed pursuant to s. 189.062 or s. 189.067.
43 If the special district remains in noncompliance after the
44 process set forth in s. 189.0651, or if a public hearing is not
45 held, the Legislative Auditing Committee may request the
46 department to proceed pursuant to s. 189.067(3).

47 2. A local ordinance, notify the chair or equivalent of
48 the local general-purpose government pursuant to s. 189.0652 and
49 the Department of Economic Opportunity that the special district
50 has failed to comply with the law. Upon receipt of notification,
51 the department shall proceed pursuant to s. 189.062 or s.
52 189.067. If the special district remains in noncompliance after
53 the process set forth in s. 189.0652, or if a public hearing is
54 not held, the Legislative Auditing Committee may request the
55 department to proceed pursuant to s. 189.067(3).

56 3. Any manner other than a special act or local ordinance,
57 notify the Department of Economic Opportunity that the special
58 district has failed to comply with the law. Upon receipt of
59 notification, the department shall proceed pursuant to s.
60 189.062 or s. 189.067(3).

61 (c) In the case of a charter school or charter technical
62 career center, notify the appropriate sponsoring entity, which
63 may terminate the charter pursuant to ss. 1002.33 and 1002.34.

64 Section 2. Paragraphs (d) through (j) of subsection (7) of
65 section 11.45, Florida Statutes, are redesignated as paragraphs

Amendment No. 1

66 (e) through (k), respectively, and a new paragraph (d) is added
67 to that subsection, to read:

68 11.45 Definitions; duties; authorities; reports; rules.—

69 (7) AUDITOR GENERAL REPORTING REQUIREMENTS.—

70 (d) During the Auditor General's review of audit reports,
71 he or she shall contact each local government which is not in
72 compliance with s. 205.0535, and request evidence of corrective
73 action. The local government shall provide the Auditor General
74 with evidence of the initiation of corrective action within 45
75 days after the date the corrective action is requested by the
76 Auditor General and evidence of completion of corrective action
77 within 180 days after the date the corrective action is
78 requested by the Auditor General. If the local government fails
79 to comply with the Auditor General's request or is unable to
80 take corrective action within the required timeframe, the
81 Auditor General shall notify the Legislative Auditing Committee.

82 Section 3. Section 205.0315, Florida Statutes, is amended
83 to read:

84 205.0315 Ordinance adopted before ~~adoption after~~ October
85 1, 2024 ~~1995~~.—Beginning October 1, 2024 ~~1995~~, a county or
86 municipality that has ~~not~~ adopted a business tax ordinance or
87 resolution under this chapter before July 1, 2024, may not
88 increase or otherwise modify the tax rate structure or
89 classification in such ~~adopt~~ a business tax ordinance, except as
90 provided in s. 205.0535. However,— the business tax rate

549723 - HB 609 Botanta A2 - Strikeall.docx

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Amendment No. 1

91 structure and classifications in the adopted ordinance may be
92 repealed ~~must be reasonable and based upon the rate structure~~
93 ~~and classifications prescribed in ordinances adopted by adjacent~~
94 ~~local governments that have implemented s. 205.0535. If no~~
95 ~~adjacent local government has implemented s. 205.0535, or if the~~
96 ~~governing body of the county or municipality finds that the rate~~
97 ~~structures or classifications of adjacent local governments are~~
98 ~~unreasonable, the rate structure or classifications prescribed~~
99 ~~in its ordinance may be based upon those prescribed in~~
100 ~~ordinances adopted by local governments that have implemented s.~~
101 ~~205.0535 in counties or municipalities that have a comparable~~
102 ~~population.~~

103 Section 4. Paragraph (b) of subsection (1), subsections
104 (4) and (5), and paragraph (a) of subsection (6) of section
105 205.033, Florida Statutes, are amended to read:

106 205.033 Conditions for levy; counties.—

107 (1) The following conditions are imposed on the authority
108 of a county governing body to levy a business tax:

109 (b) ~~Unless the county implements s. 205.0535 or adopts a~~
110 ~~new business tax ordinance under s. 205.0315, A business tax~~
111 ~~levied under this subsection may not exceed the rate provided by~~
112 ~~this chapter in effect for the year beginning October 1, 2023~~
113 ~~1971; however, beginning October 1, 2024 1980, the county~~
114 ~~governing body must decrease ~~may increase~~ business taxes~~
115 ~~authorized by this chapter as provided in s. 205.0535. The~~

Amendment No. 1

116 ~~amount of the increase above the tax rate levied on October 1,~~
117 ~~1971, for taxes levied at a flat rate may be up to 100 percent~~
118 ~~for business taxes that are \$100 or less; 50 percent for~~
119 ~~business taxes that are between \$101 and \$300; and 25 percent~~
120 ~~for business taxes that are more than \$300. Beginning October 1,~~
121 ~~1982, the increase may not exceed 25 percent for taxes levied at~~
122 ~~graduated or per unit rates. Authority to increase business~~
123 ~~taxes does not apply to licenses or receipts granted to any~~
124 ~~utility franchised by the county for which a franchise fee is~~
125 ~~paid.~~

126 (4) The revenues derived from the business tax, exclusive
127 of the costs of collection and any credit given for municipal
128 business taxes, shall be apportioned between the unincorporated
129 area of the county and the incorporated municipalities located
130 therein by a ratio derived by dividing their respective
131 populations by the population of the county. This subsection
132 does not apply to counties that ~~have~~ established a new rate
133 structure under s. 205.0535 before October 1, 2024.

134 (5) The revenues so apportioned shall be sent to the
135 governing authority of each municipality, according to its
136 ratio, and to the governing authority of the county, according
137 to the ratio of the unincorporated area, within 15 days
138 following the month of receipt. This subsection does not apply
139 to counties that ~~have~~ established a new rate structure under s.
140 205.0535 before October 1, 2024.

Amendment No. 1

141 (6) (a) Each county, as defined in s. 125.011(1), or any
142 county adjacent thereto may levy and collect, by an ordinance
143 enacted by the governing body of the county, an additional
144 business tax up to 50 percent of the appropriate business tax
145 imposed under subsection (1); however, beginning October 1,
146 2024, such business tax must be decreased as provided in s.
147 205.0535.

148 Section 5. Paragraph (b) of subsection (1) of section
149 205.043, Florida Statutes, is amended to read:

150 205.043 Conditions for levy; municipalities.—

151 (1) The following conditions are imposed on the authority
152 of a municipal governing body to levy a business tax:

153 (b) ~~Unless the municipality implements s. 205.0535 or~~
154 ~~adopts a new business tax ordinance under s. 205.0315, A~~
155 ~~business tax levied under this subsection may not exceed the~~
156 ~~rate in effect in the municipality for the year beginning~~
157 ~~October 1, 2023. 1971; however, Beginning October 1, 2024 1980,~~
158 ~~the municipal governing body must decrease ~~may increase~~ business~~
159 ~~taxes authorized by this chapter as provided in s. 205.0535. ~~The~~~~
160 ~~amount of the increase above the tax rate levied on October 1,~~
161 ~~1971, for taxes levied at a flat rate may be up to 100 percent~~
162 ~~for business taxes that are \$100 or less; 50 percent for~~
163 ~~business taxes that are between \$101 and \$300; and 25 percent~~
164 ~~for business taxes that are more than \$300. Beginning October 1,~~
165 ~~1982, an increase may not exceed 25 percent for taxes levied at~~

Amendment No. 1

166 ~~graduated or per unit rates. Authority to increase business~~
167 ~~taxes does not apply to receipts or licenses granted to any~~
168 ~~utility franchised by the municipality for which a franchise fee~~
169 ~~is paid.~~

170 Section 6. Section 205.0535, Florida Statutes, is amended
171 to read:

172 205.0535 Reclassification and rate structure revisions.—

173 (1) As used in this section, the term:

174 (a) "Recalculated tax rate" means the tax rate that, if it
175 had been applied in the immediate prior fiscal year, would
176 result in the maximum total revenue that does not exceed the
177 revenue base.

178 (b) "Revenue base" means the total revenue for the fiscal
179 year ending September 30, 2024.

180 (c) "Total revenue" means:

181 1. For a county, the total annual revenue generated by
182 receipts issued in the fiscal year, less any revenue distributed
183 to municipalities under s. 205.033(4) in such year, and less any
184 revenue refunded to businesses pursuant to sub-
185 subparagraph(4) (a)3.b. in such year.

186 2. For a municipality, the total annual revenue generated
187 by receipts issued in the fiscal year plus any revenue received
188 from the county under s. 205.033(4) in such fiscal year, and
189 less any revenue refunded to businesses pursuant to sub-
190 subparagraph(4) (a)3.b. in such year.

Amendment No. 1

191 (2)(1) Beginning ~~by~~ October 1, 2024 ~~2008~~, any municipality
192 that has adopted by ordinance a local business tax ~~after October~~
193 ~~1, 1995~~, may not ~~by ordinance~~ reclassify businesses,
194 professions, and occupations or ~~and may~~ establish new rate
195 structures, ~~if the conditions specified in subsections (2) and~~
196 ~~(3) are met~~. A person who is engaged in the business of
197 providing local exchange telephone service or a pay telephone
198 service in a municipality or in the unincorporated area of a
199 county and who pays the business tax under the category
200 designated for telephone companies or a pay telephone service
201 provider certified pursuant to s. 364.3375 is deemed to have but
202 one place of business or business location in each municipality
203 or unincorporated area of a county. Pay telephone service
204 providers may not be assessed a business tax on a per-instrument
205 basis.

206 (3) Beginning October 1, 2024, the total revenue generated
207 by the business tax each fiscal year may not exceed the revenue
208 base.

209 (4) (a) Beginning October 1, 2025, if the total revenue
210 received by a local government from the local business tax in
211 the immediate prior fiscal year exceeds the revenue base:

212 1. The governing authority must adopt an ordinance to
213 proportionally adjust the rates of the local business taxes
214 levied under this chapter for the current fiscal year to the
215 recalculated tax rate.

Amendment No. 1

216 2. The rate adjustment ordinance must be adopted as soon
217 as practicable, but no later than January 1 of the current
218 fiscal year.

219 3. By February 1, the county or municipality must issue a
220 refund to each business that paid the local business tax:

221 a. In the prior fiscal year. Such refund shall be the
222 difference between the amount paid and the amount that would
223 have been paid if the recalculated tax rate had been used.

224 b. At the unreduced rate in the current fiscal year. Such
225 refund shall be the difference in the amount paid and the amount
226 due if the recalculated tax rate had been used.

227 (b) A refund issued under subparagraph (a)3. may be
228 granted as a credit against tax due in the next fiscal year.

229 (c) If the county or municipality is unable to grant a
230 refund pursuant to subparagraph (a)3. because a business no
231 longer exists, or the county or municipality is unable to locate
232 the business or deliver such refund after making reasonable
233 efforts to do so, then such refund shall be treated by the
234 county or municipality as unclaimed property under chapter 717.

235 ~~(2) Before adopting a reclassification and revision~~
236 ~~ordinance, the municipality or county must establish an equity~~
237 ~~study commission and appoint its members. Each member of the~~
238 ~~study commission must be a representative of the business~~
239 ~~community within the local government's jurisdiction. Each~~
240 ~~equity study commission shall recommend to the appropriate local~~

Amendment No. 1

241 ~~government a classification system and rate structure for~~
242 ~~business taxes.~~

243 ~~(3) (a) After the reclassification and rate structure~~
244 ~~revisions have been transmitted to and considered by the~~
245 ~~appropriate local governing body, it may adopt by majority vote~~
246 ~~a new business tax ordinance. Except that a minimum tax of up to~~
247 ~~\$25 is permitted, the reclassification may not increase the tax~~
248 ~~by more than the following: for receipts costing \$150 or less,~~
249 ~~200 percent; for receipts costing more than \$150 but not more~~
250 ~~than \$500, 100 percent; for receipts costing more than \$500 but~~
251 ~~not more than \$2,500, 75 percent; for receipts costing more than~~
252 ~~\$2,500 but not more than \$10,000, 50 percent; and for receipts~~
253 ~~costing more than \$10,000, 10 percent; however, in no case may~~
254 ~~the tax on any receipt be increased more than \$5,000.~~

255 ~~(b) The total annual revenue generated by the new rate~~
256 ~~structure for the fiscal year following the fiscal year during~~
257 ~~which the rate structure is adopted may not exceed:~~

258 ~~1. For municipalities, the sum of the revenue base and 10~~
259 ~~percent of that revenue base. The revenue base is the sum of the~~
260 ~~business tax revenue generated by receipts issued for the most~~
261 ~~recently completed local fiscal year or the amount of revenue~~
262 ~~that would have been generated from the authorized increases~~
263 ~~under s. 205.043(1)(b), whichever is greater, plus any revenue~~
264 ~~received from the county under s. 205.033(4).~~

Amendment No. 1

265 ~~2. For counties, the sum of the revenue base, 10 percent~~
266 ~~of that revenue base, and the amount of revenue distributed by~~
267 ~~the county to the municipalities under s. 205.033(4) during the~~
268 ~~most recently completed local fiscal year. The revenue base is~~
269 ~~the business tax revenue generated by receipts issued for the~~
270 ~~most recently completed local fiscal year or the amount of~~
271 ~~revenue that would have been generated from the authorized~~
272 ~~increases under s. 205.033(1)(b), whichever is greater, but may~~
273 ~~not include any revenues distributed to municipalities under s.~~
274 ~~205.033(4).~~

275 ~~(c) In addition to the revenue increases authorized by~~
276 ~~paragraph (b), revenue increases attributed to the increases in~~
277 ~~the number of receipts issued are authorized.~~

278 ~~(4) After the conditions specified in subsections (2) and~~
279 ~~(3) are met, municipalities and counties may, every other year~~
280 ~~thereafter, increase or decrease by ordinance the rates of~~
281 ~~business taxes by up to 5 percent. However, an increase must be~~
282 ~~enacted by at least a majority plus one vote of the governing~~
283 ~~body.~~

284 (5) This chapter does not prohibit a municipality or
285 county from decreasing or repealing any business tax authorized
286 under this chapter. By majority vote, the governing body of a
287 county or municipality may adopt an ordinance repealing a local
288 business tax or establishing new rates that decrease local
289 business taxes, provided that the new rates do not produce

Amendment No. 1

290 revenues in excess of the revenue base ~~and do not result in an~~
291 ~~increase in local business taxes for a taxpayer. Such ordinances~~
292 ~~are not subject to subsections (2) and (3).~~

293 (6) A receipt may not be issued unless the federal
294 employer identification number or social security number is
295 obtained from the person to be taxed.

296 (7) This section does not apply to a municipality that
297 imposes a business tax on merchants which is measured by gross
298 receipts from the sale of merchandise or services, or both, as
299 described in s. 205.044.

300 Section 7. Section 205.0536, Florida Statutes, is amended
301 to read:

302 205.0536 Distribution of county revenues.—A county that
303 established ~~establishes~~ a new rate structure under s. 205.0535,
304 before October 1, 2024, shall retain all business tax revenues
305 collected from businesses, professions, or occupations whose
306 places of business are located within the unincorporated
307 portions of the county. Any business tax revenues collected by a
308 county that established ~~establishes~~ a new rate structure under
309 s. 205.0535, before October 1, 2024, from businesses,
310 professions, or occupations whose places of business are located
311 within a municipality, exclusive of the costs of collection,
312 must be apportioned between the unincorporated area of the
313 county and the incorporated municipalities located therein by a
314 ratio derived by dividing their respective populations by the

Amendment No. 1

315 population of the county. As used in this section, the term
316 "population" means the latest official state estimate of
317 population certified under s. 186.901. The revenues so
318 apportioned shall be sent to the governing authority of each
319 municipality, according to its ratio, and to the governing
320 authority of the county, according to the ratio of the
321 unincorporated area, within 15 days after the month of receipt.

322 Section 8. Section 205.046, Florida Statutes, is created
323 to read:

324 205.046 Audits.—An audit of financial statements of a
325 local government which is performed by a certified public
326 accountant pursuant to s. 218.39 and submitted to the Auditor
327 General must be accompanied by an affidavit executed by the
328 chair of the governing board of the local government, as a
329 separate document, stating that the local government has
330 complied with the provisions of s. 205.0535 and must be filed
331 with the Auditor General or, in the event the local government
332 has not complied with s. 205.0535, the affidavit shall instead
333 include a description of the noncompliance and corrective action
334 taken by the local government to correct the noncompliance and
335 to prevent such noncompliance in the future.

336 Section 9. Paragraph (a) of subsection (2) of section
337 215.97, Florida Statutes, is amended to read:

338 215.97 Florida Single Audit Act.—

339 (2) As used in this section, the term:

Amendment No. 1

340 (a) "Audit threshold" means the threshold amount used to
341 determine when a state single audit or project-specific audit of
342 a nonstate entity shall be conducted in accordance with this
343 section. Each nonstate entity that expends a total amount of
344 state financial assistance equal to or in excess of \$750,000 in
345 any fiscal year of such nonstate entity shall be required to
346 have a state single audit or a project-specific audit for such
347 fiscal year in accordance with the requirements of this section.
348 After consulting with the Executive Office of the Governor, the
349 Department of Financial Services, and all state awarding
350 agencies, the Auditor General shall periodically review the
351 threshold amount for requiring audits under this section and may
352 recommend any appropriate statutory change to revise the
353 threshold amount in the annual report submitted to the
354 Legislature pursuant to s. 11.45(7)(i) ~~s. 11.45(7)(h)~~.

355 Section 10. Paragraph (e) of subsection (1) of section
356 218.32, Florida Statutes, is amended to read:

357 218.32 Annual financial reports; local governmental
358 entities.—

359 (1)

360 (e)1. Each local governmental entity that is not required
361 to provide for an audit under s. 218.39 must submit the annual
362 financial report to the department no later than 9 months after
363 the end of the fiscal year. The department shall consult with
364 the Auditor General in the development of the format of annual

Amendment No. 1

365 financial reports submitted pursuant to this paragraph. The
366 format must include balance sheet information used by the
367 Auditor General pursuant to s. 11.45(7)(g) ~~s. 11.45(7)(f)~~. The
368 department must forward the financial information contained
369 within the annual financial reports to the Auditor General in
370 electronic form. This paragraph does not apply to housing
371 authorities created under chapter 421.

372 2. The annual financial report filed by a dependent
373 special district or an independent special district shall
374 specify separately:

375 a. The total number of district employees compensated in
376 the last pay period of the district's fiscal year being
377 reported.

378 b. The total number of independent contractors to whom
379 nonemployee compensation was paid in the last month of the
380 district's fiscal year being reported.

381 c. All compensation earned by or awarded to employees,
382 whether paid or accrued, regardless of contingency.

383 d. All compensation earned by or awarded to nonemployee
384 independent contractors, whether paid or accrued, regardless of
385 contingency.

386 e. Each construction project with a total cost of at least
387 \$65,000 approved by the district that is scheduled to begin on
388 or after October 1 of the fiscal year being reported, together
389 with the total expenditures for such project.

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Amendment No. 1

390 3. The annual financial report of a dependent special
391 district or an independent special district amending a final
392 adopted budget under s. 189.016(6) must include a budget
393 variance report based on the budget adopted under s. 189.016(4)
394 before the beginning of the fiscal year being reported.

395 4. The annual financial report of an independent special
396 district that imposes ad valorem taxes shall include the millage
397 rate or rates imposed by the district, the total amount of ad
398 valorem taxes collected by or on behalf of the district, and the
399 total amount of outstanding bonds issued by the district and the
400 terms of such bonds.

401 5. The annual financial report of an independent special
402 district that imposes non-ad valorem special assessments shall
403 include the rate or rates of such assessments imposed by the
404 district, the total amount of special assessments collected by
405 or on behalf of the district, and the total amount of
406 outstanding bonds issued by the district and the terms of such
407 bonds.

408 Section 11. Subsection (8) of section 489.537, Florida
409 Statutes, is amended to read:

410 489.537 Application of this part.—

411 (8) Persons licensed under this part are subject to ss.
412 205.0535(2) ~~205.0535(1)~~ and 205.065, as applicable.

413 Section 12. This act shall take effect July 1, 2024.
414

Amendment No. 1

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T I T L E A M E N D M E N T

Remove everything before the enacting clause and insert:

A bill to be entitled

An act relating to local business taxes; amending s. 11.40, F.S.; conforming provisions to changes made by the act; amending s. 11.45, F.S.; requiring the Auditor General to contact certain local governments; requiring such local government provide specified evidence within a certain time period; requiring notification to the Legislative Auditing Committee in specified circumstances; amending s. 205.0315, F.S.; authorizing specified entities to continue to levy a certain tax; prohibiting the repeal or modification of certain ordinances beginning a date certain; providing an exception; amending ss. 205.033 and 205.043, F.S.; revising the conditions imposed on taxing authorities governing the levy of a specified tax; amending s. 205.0535, F.S.; providing definitions; prohibiting reclassification of businesses subject to a specified tax rate; prohibiting the revenue generated from a certain tax from exceeding a specified value; requiring specified actions be taken in event of a

Amendment No. 1

440 violation of such prohibition; providing
441 applicability; amending s. 205.0536, F.S.; conforming
442 provisions to changes made by the act; amending s.
443 205.046, F.S.; requiring a specified document be filed
444 with a certain audit; providing requirements for such
445 document; amending ss. 215.97, 218.32, and 489.537,
446 F.S.; conforming a cross-reference; providing an
447 effective date.

HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

BILL #: CS/HB 755 Canaveral Port District, Brevard County

SPONSOR(S): Local Administration, Federal Affairs & Special Districts Subcommittee, Sirois and others

TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Local Administration, Federal Affairs & Special Districts Subcommittee	15 Y, 0 N, As CS	Mwakyanjala	Darden
2) Ways & Means Committee		Rexford	Aldridge
3) State Affairs Committee			

SUMMARY ANALYSIS

Special districts are units of local government created for a particular purpose, with jurisdiction to operate within a limited geographic boundary. Special districts are created by general law, special act, local ordinance, or rule of the Governor and Cabinet. A special district has only those powers expressly provided by, or reasonably implied from, the authority provided in the district's charter. Special districts provide specific municipal services in addition to, or in place of, those provided by a municipality or county.

Foreign-Trade Zones (FTZs) are secure free-trade zones subject to oversight by U.S. Customs and Border Protection. A 2008 revision of FTZ law created a new variety of FTZs known as an Alternative Site Framework (ASF). Port entities operating under the revised ASF provisions have a number of operating advantages in terms of increased flexibility and predictability. The ASF also expands the range of available FTZ sites to include locations within 60 miles of the port of entry.

The Canaveral Port District (Port) is an independent special district located in Brevard County. The Port was created by special act in 1953 and subsequently recodified in 2014. The Port is currently the busiest cruise port in the world and conducts cruise and cargo services, leases an inland warehouse and logistics center, and is home to U.S. Army, Navy, and Air Force facilities. Eighty percent of the Port's revenues is generated from cruise business. For fiscal year 2024, the Port has projected revenues of \$187,148,710 and expenses of \$122,581,830. The Port does not currently levy ad valorem taxes.

The bill amends the Port's charter to revise provisions concerning:

- Noticing and recordkeeping guidelines;
- Boundaries of FTZs;
- Powers of the governing body of the Port;
- The maximum amount of principle on revenue certificates and revenue bonds that the Port may levy taxes to pay for in a single year; and
- Competitive solicitation procedures.

The bill adds provisions to the Port's charter concerning support for the commercial space launch industry.

The Economic Impact Statement filed with the bill states that the bill is not expected to have a fiscal impact.

The bill is effective upon becoming law.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: h0755a.WMC

DATE: 1/30/2024

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Special Districts

A “special district” is a unit of local government created for a particular purpose, with jurisdiction to operate within a limited geographic boundary.¹ Special districts are created by general law, special act, local ordinance, or rule of the Governor and Cabinet.² A special district has only those powers expressly provided by, or reasonably implied from, the authority provided in the district’s charter. Special districts provide specific municipal services in addition to, or in place of, those provided by a municipality or county.³ Special districts are funded through the imposition of ad valorem taxes, fees, or charges on the users of those services as authorized by law.⁴

Special districts may be classified as dependent or independent based on their relationship with local general-purpose governments. A special district is classified as “dependent” if the governing body of a single county or municipality:

- Serves as governing body of the district;
- Appoints the governing body of the district;
- May remove members of the district’s governing body at-will during their unexpired terms; or
- Approves or can veto the budget of the district.⁵

A district is classified as “independent” if it does not meet any of the above criteria or is located in more than one county, unless the district lies entirely within the boundaries of single municipality.⁶

Special districts do not possess “home rule” powers and may impose only those taxes, assessments, or fees authorized by special or general law. The special act creating an independent special district may provide for funding from a variety of sources while prohibiting others. For example, ad valorem tax authority is not mandatory for a special district.⁷

Foreign-Trade Zones

Foreign-Trade Zones (FTZs) are secure trade zones subject to U.S. Customs and Border Protection supervision.⁸ The authority to establish FTZs was created by Congress in the Foreign-Trade Zones Act of 1934.⁹ The Foreign-Trade Zones Act is administered through two sets of regulations,¹⁰ which were

¹ S. 189.012(6), F.S.

² See ss. 189.02(1), 189.031(3), and 190.005(1), F.S. See generally s. 189.012(6), F.S.

³ Local Administration, Federal Affairs & Special Districts Subcommittee, *The Local Government Formation Manual*, 62, available at <https://myfloridahouse.gov/Sections/Documents/loaddoc.aspx?PublicationType=Committees&Committeed=3227&Session=2024&DocumentType=General+Publications&FileName=2022+Local+Government+Formation+Manual.pdf> (last visited Jan. 24, 2024).

⁴ The method of financing a district must be stated in its charter. Ss. 189.02(4)(g), 189.031(3), F.S. Independent special districts may be authorized to impose ad valorem taxes as well as non-ad valorem special assessments in the special acts comprising their charters. See, e.g., ch. 2023-335, s. 6 of s. 1, Laws of Fla. (East River Ranch Stewardship District). See also, e.g., ss. 190.021 (community development districts), 191.009 (independent fire control districts), 197.3631 (non-ad valorem assessments), 298.305 (water control districts), 388.221 (mosquito control), ch. 2004-397, s. 27 of s. 3, Laws of Fla. (South Broward Hospital District).

⁵ S. 189.012(2), F.S.

⁶ S. 189.012(3), F.S.

⁷ See, e.g., ch. 2006-354, Laws of Fla. (Argyle Fire District may impose special assessments, but has no ad valorem tax authority).

⁸ U.S. Customs and Border Protection, *About Foreign-Trade Zones and Contact Info*, <http://www.cbp.gov/border-security/ports-entry/cargo-security/cargo-control/foreign-trade-zones/about> (last visited Jan. 24, 2024).

⁹ Foreign-Trade Zones Act of 1934, 19 U.S.C. 81a-81u.

¹⁰ The FTZ Regulations (15 CFR Part 400) and CBP Regulations (19 CFR Part 146).

revised in 2008¹¹ to create a new variety of FTZ known as an Alternative Site Framework (ASF). Port entities operating under the revised ASF provisions have a number of operating advantages in terms of increased flexibility and predictability.¹² The ASF allows FTZ sites administered by port authorities to utilize the “minor boundary modification process” in order to extend FTZ benefits to areas outside of existing zones through a shorter streamlined application process. The ASF also expands the range of available FTZ sites to include locations within 60 miles of the port of entry.

Public Seaports in Florida

There are 16 public seaports in Florida which collectively generate nearly 900,000 direct and indirect jobs and contribute \$117.6 billion in economic value to the state through cargo cruise activities. Florida’s public seaports account for approximately 13 percent of Florida’s gross domestic product while contributing \$4.2 billion in state and local taxes.¹³

Canaveral Port District

The Canaveral Port District (Port) is an independent special district located in Brevard County. The Port was created by special act in 1953¹⁴ and subsequently recodified in 2014.¹⁵ Currently the world’s busiest cruise port,¹⁶ the Port conducts cruise and cargo services, leases an inland warehouse and logistics center, and is home to U.S. Army, Navy, and Air Force facilities. Eighty percent of the Port’s revenues is generated from cruise business.¹⁷ For fiscal year 2024, the Port has projected operating revenues of \$187,148,710 and operating expenses of \$122,581,830.¹⁸ The Port has the ability to levy ad valorem taxes at a rate not exceeding 3 mills for operating expenses and debt service.¹⁹ The Port does not currently levy ad valorem taxes and has not since 1986.²⁰ The Port can levy taxes necessary to pay for the principal and interest on revenue bonds and certificates not exceeding the aggregate sum of \$7.5 million.²¹

The Port is operated by the Canaveral Port Authority (Authority).²² The Authority consists of five Port Commissioners, elected from single-member districts in which they reside.²³ When the Authority is required to give public notice, the notice must be published in the following methods:

- Once a week for two consecutive weeks in a newspaper of general circulation published in Brevard County;
- On the Authority’s website; and
- In a manner no less than may be required by law.²⁴

¹¹ International Trade Commission, *15 CFR Part 400- FTZ Regulations*, <http://enforcement.trade.gov/ftzpage/grantee/regs.html> (last visited Jan. 24, 2024).

¹² U.S. Customs and Border Protection, *Foreign-Trade Zones Manual* (2011), 41-42, <https://www.cbp.gov/sites/default/files/documents/FTZmanual2011.pdf> (last visited Jan. 24, 2024).

¹³ Florida Ports Council, *The Florida System of Seaports*, <https://flaports.org/about/the-florida-system-of-seaports/> (last visited Jan. 24, 2024).

¹⁴ Ch. 28922, Laws of Fla. (1953).

¹⁵ Ch. 2014-241, Laws of Fla., Ch. 2014-241, s. 3, Laws of Fla. contains the charter of the Port. (hereinafter Port Charter).

¹⁶ Florida Ports Council, *Port Canaveral Sees Record Year for Cargo and Cruise Operations*, <https://flaports.org/port-canaveral-sees-record-year-for-cargo-and-cruise-operations/> (last visited Jan. 24, 2024).

¹⁷ Port Canaveral, *About Us*, <https://www.portcanaveral.com/about> (last visited Jan. 24, 2024).

¹⁸ Canaveral Port Authority, *Proposed Operating Budget for the year ending September 30, 2024*, <https://www.portcanaveral.com/About/Financials/FY2024-BUDGET-SEPT-Commission-meeting.aspx> (last visited Jan. 24, 2024).

¹⁹ Ch. 2014-241, s. 8 of art. IV, Laws of Fla.

²⁰ Canaveral Port Authority, *Financial Report, September 30, 2022*, 14,

https://flauditor.gov/pages/specialdistricts_efile%20rpts/2022%20canaveral%20port%20district.pdf (last visited Jan. 24, 2024).

²¹ Port Charter, Art. VIII, s. 1.

²² Port Charter, Art. III.

²³ Port Charter, Art. V, s. 1.

²⁴ Port Charter, Art. II, s. 2.

Powers of the Authority include the ability to:

- Apply to proper authorities of the United States government for the right to establish, operate, and maintain a foreign trade zone within the limits of Brevard County and to establish, operate, and maintain such foreign trade zone.²⁵
- Employ an attorney for a term of office prescribed by the Authority.²⁶
- Lease lands, personal properties, and facilities for:
 - Up to 30 years by majority vote at a public meeting;²⁷
 - For 30 to 50 years by majority vote at public meeting and publishing public notice of intent to enter into such a lease at least 30 days before the public meeting;²⁸
 - For more than 50 years by a super-majority vote at two public meetings and publishing public notice of intent to enter into such a lease at least 60 days before the first public meeting.²⁹
- Execute and deliver contracts necessary and convenient to carry out the powers expressed in the Port's charter.³⁰
 - Contracts for any construction, improvement, repair, or building that exceed \$100,000 must go through a competitive solicitation process including advertisement for the contract for at least once a week for three consecutive weeks in a newspaper of general circulation in the Port and Brevard County and on the Authority's website.³¹
 - If the cost of a contract is reasonably expected to be greater than \$10,000 but less than \$100,000, the Chief Executive Officer (CEO) of the Port must:
 - Obtain at least three written bid offers to perform the contract from at least three independent persons or business entities responsible in the subject business under consideration;
 - Make a record of the offers; and
 - After obtaining and recording such offers, award the contract to the most responsive, responsible bidder.³²

Effect of Proposed Changes

The bill amends the current public notice provisions in the Port's charter related to competitive solicitations to remove the requirement described above for a newspaper advertisement. The bill makes additional changes to conform with the current public notice provisions contained in ch. 50, F.S.³³

The bill removes from the charter the requirement that the FTZ exist within the limits of Brevard County, to allow the Authority the option to expand the FTZ, consistent with the federal law and regulations regarding FTZ and ASFs.

The bill revises the votes required for the Port to enter into leases of a certain term:

- A term of up to 30 years requires a majority vote at a public meeting; and
- A term of more than 30 years requires a vote of 75 percent of all members of the Authority voting at two public meetings, with public notice of intent to enter the lease provided at least 60 days before the first meeting.

The bill increases the amount of revenue certificates and revenue bonds outstanding the Authority may have for tax purposes from \$7.5 million to \$20 million.

²⁵ Port Charter, Art. IV, s. 3; the FTZ maintained by the Authority was reorganized as an Alternative Site Framework (ASF) in 2012, Rates, Rules & Regulations Governing Foreign Trade Zone No. 136, [Zone Schedule \(portcanaveral.com\)](http://portcanaveral.com) (last visited Jan. 24, 2024).

²⁶ Port Charter, Art. IV, s. 9.

²⁷ Port Charter, Art. IV, s. 16(b)1.

²⁸ Port Charter, Art. IV, s. 16(b)2.

²⁹ Port Charter, Art. IV, s. 16(b)3.

³⁰ *Id.*

³¹ Port Charter, Art. XVII, s. 1.

³² Port Charter, Art. XVII, s. 2.

³³ Chapter 50, F.S. prescribes the manner for publishing legal and official advertisements.

The bill revises competitive solicitation procedures by allowing the Authority to publish requests for contracts for any construction, improvement, repair, or building that exceeds \$100,000 on the Authority's website for at least 10 days, but not more than 90 days, before receiving bids in the manner provided in ch. 50, F.S. For contracts reasonably expected to be between \$25,000 and \$100,000, the bill requires the CEO or his or her designee to request at least three written bids and to award the contract to the most responsive, responsible, and qualified bidder.

The bill expands the types of purchases that are not subject to competitive bidding requirements of the charter to include:

- Purchases made through a contract issued by a federal, state, or local government or a school board, or agencies thereof, if such contract has been competitively bid;
- Purchases made pursuant to the Consultant's Competitive Negotiation Act;³⁴
- Purchases of equipment, supplies, materials, or services from a federal General Services Administration schedule or for a federal agency when required for Port operations;
- Purchases of equipment, supplies, materials, or services when competitive solicitation and award are excepted or exempted by general law;
- Purchases of required equipment, supplies, materials, or services that are highly specialized or proprietary, or when no other authorized vendor can supply the required equipment, supplies materials, or services;
- Emergency purchases necessary to mitigate a situation that threatens the safety of employees or passengers, the operation of the Port, or the loss of Port property;
- Purchases of certain mandatory, recurring, or day-to-day expenditures such as utilities, government fees, or purchases of equipment, supplies, materials, or services provided through interlocal governmental agreements;
- Purchases of government surplus material and equipment;
- Purchases of used equipment and material to be used for Port purposes, provided that two independent appraisals are obtained and considered;
- Purchases through the Port Authority's Owner-Direct Purchase Program when the construction contract or construction management contract has been awarded in accordance with Article XVII of the Charter; and
- Situations in which the Authority has taken over by transfer or assignment any contract authorized to be assigned to it under the Port's charter.

The bill creates a new section of the charter concerning the commercial space launch industry (industry) and defines the term meaning any company substantially engaged in the transport, operation, and recovery of space launch or landing services with active maritime operations at the Port. The bill requires the Authority to take reasonable measures to support the industry and to submit by February 1 of each year, beginning in 2025, an annual report to the chair of the Space Florida Board of Directors containing measures the Authority has taken to support the industry at the Port.

The bill requires that the Authority hold a public hearing at least once every two years to discuss the state of industry interests at the Port and to invite representatives from the industry with active maritime assets or operations at the Port and Space Florida at least 45 days before the hearing. The bill directs the Authority to provide public notice of the hearing at a regularly-scheduled hearing of the Authority and to provide written notice via mail to the chair of the Space Florida Board of Directors at least 45 days before the public hearing.

The bill also contains several provisions that modernize operations of the district (e.g., authorizing the Authority to maintain electric meeting records in lieu of physical books) and remove obsolete provisions.

³⁴ S. 287.055, F.S.

B. SECTION DIRECTORY:

Section 1: Amends ch. 2014-241, Laws of Fla., relating to Canaveral Port District, Brevard County.

Section 2: Provides for liberal construction of the act.

Section 3: Provides that the bill is effective upon becoming a law.

II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? November 3, 2023

WHERE? The *Florida Today*, a newspaper printed and published in Brevard County, Florida.

B. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes No

D. ECONOMIC IMPACT STATEMENT FILED? Yes No

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

The bill does not provide rulemaking authority or require executive branch rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

On January 19, 2024, the Local Administration, Federal Affairs & Special Districts Subcommittee adopted a proposed committee substitute (PCS) and reported the bill favorably as a committee substitute. The PCS removed an intent statement related to the commercial space launch industry.

This analysis is drafted to the committee substitute as passed by the Local Administration, Federal Affairs & Special Districts Subcommittee.

1 A bill to be entitled
2 An act relating to the Canaveral Port District,
3 Brevard County; amending chapter 2014-241, Laws of
4 Florida; revising provisions relating to the
5 publication of legal notices; correcting references to
6 certain courts; revising a provision limiting the
7 location of a foreign trade zone; clarifying authority
8 to engage or employ attorneys; revising notice and
9 approval requirements for certain leases; deleting
10 obsolete provisions for commissioner terms; revising a
11 provision relating to the payment of a filing fee;
12 providing for the use of electronic recordkeeping;
13 providing for an increase in the amount of levied tax
14 permitted to be used for payment of principal and
15 interest on revenue certificates and bonds; revising
16 provisions relating to advertisement for competitive
17 solicitations by the port authority; revising
18 provisions relating to contracts and competitive bids;
19 revising circumstances under which specified
20 competitive bid requirements do not apply; conforming
21 provisions to changes made by the act; requiring the
22 port authority to take reasonable measures to support
23 the Commercial Space Launch Industry and to submit an
24 annual report; providing a definition; requiring the
25 port authority to hold public hearings to discuss the

26 state of the Commercial Space Launch Industry
 27 interests; providing requirements for such hearings
 28 and notices; providing construction; providing an
 29 effective date.

30
 31 Be It Enacted by the Legislature of the State of Florida:

32
 33 Section 1. Articles XXI and XXII of section 3 of chapter
 34 2014-241, Laws of Florida, are renumbered as Articles XXII and
 35 XXIII, respectively, section 2 of Article II, Article III,
 36 sections 3, 9, 16, and 25 of Article IV, sections 1, 2, and 7 of
 37 Article V, section 4 of Article VI, section 1 of Article VIII,
 38 sections 1, 2, and 3 of Article XVII, sections 2 and 3 of
 39 Article XIX, and Article XX of section 3 of that chapter are
 40 amended, and a new Article XXI is added to that section, to
 41 read:

42
 43 ARTICLE II
 44 DEFINITIONS

45
 46 Section 2. The term "Public Notice" means notice that is
 47 published in the following methods:

- 48 ~~(a) Once a week for 2 consecutive weeks in a newspaper of~~
 49 ~~general circulation published in Brevard County;~~
 50 (a)-(b) On the Port Authority website for 2 consecutive

51 weeks; and
 52 (b)-(e) In a manner no less than ~~may be~~ required by Florida
 53 law.

54
 55 Additional requirements for Public Notice may be provided for
 56 herein.

57
 58 ARTICLE III
 59 GOVERNING AUTHORITY

60
 61 The governing authority of the Port District shall be known
 62 as the Canaveral Port Authority. Said Canaveral Port Authority
 63 is a body politic and body corporate and is deemed a political
 64 subdivision of the state within the meaning of sovereign
 65 immunity from taxation; it shall have perpetual existence; it
 66 may adopt and use a common seal and alter the same; it may
 67 contract and be contracted with; it may sue in its corporate
 68 name in any of the courts in the several states and in the
 69 courts of the United States; and it may be sued only in the
 70 courts of the state and the courts of the United States for the
 71 Middle ~~Southern~~ District of the state (or in such other District
 72 Court of the United States to which Brevard County may hereafter
 73 be transferred), except as may be limited by s. 768.28, Florida
 74 Statutes, or any succeeding enactment.

ARTICLE IV

GENERAL GRANT OF POWERS

76
77
78
79 Section 3. The authority has the power to exercise control
80 over Port Canaveral and any and all parts thereof; to apply to
81 proper authorities of the United States government for the right
82 to establish, operate, and maintain a foreign trade zone ~~within~~
83 ~~the limits of Brevard County~~ and to establish, operate, and
84 maintain such foreign trade zone; to apply for and obtain
85 permission from the United States government to create, improve,
86 regulate, and control all waters and natural or artificial
87 waterways within said Port Canaveral; to improve all navigable
88 and nonnavigable waters situated within the Port District
89 necessary or useful to the operation, improvement, and
90 maintenance of Port Canaveral; to construct, improve, and
91 maintain such inlets, slips, turning basins, and channels; to
92 make and give to the United States government such guarantees
93 upon such terms and conditions as may be required; and to enact,
94 adopt, and establish rules and regulations for the complete
95 exercise of jurisdiction and control over all of said lands and
96 waters of Port Canaveral within the Port District.

97 Section 9. The Port Authority has the power to create and
98 designate such offices, departments, and divisions, other than
99 those herein specifically provided for, as the Port Authority
100 may determine to be necessary and prescribe the duties and

101 compensation of such officers and employees; and to engage or
102 employ attorneys ~~an attorney~~ for the Port Authority and fix and
103 determine the compensation and duties of said attorneys
104 ~~attorney~~. The term of service ~~office~~ of said attorneys ~~attorney~~
105 and all appointees and employees shall be at the pleasure of the
106 Port Authority.

107 Section 16. (a) The authority has the power to execute
108 and deliver all contracts, deeds, leases, mortgages, promissory
109 notes, franchises, assignments, releases, and all other
110 instruments necessary and convenient to carry out the powers
111 herein expressly or impliedly conferred, all of which shall be
112 executed in the name of the Port Authority and signed by the
113 chair and the secretary thereof and its corporate seal affixed
114 thereto. All checks and vouchers for the disbursement of funds
115 of the Port Authority shall be executed in the manner and form
116 as prescribed by the Port Authority.

117 (b) The authority has the power and authority by majority
118 vote at any regular meeting to lease the lands, personal
119 properties, and facilities as provided herein:

120 1. A lease for a period not to exceed 30 years may be
121 approved by a majority vote of the Port Authority at a public
122 meeting.

123 ~~2. A lease for a period of more than 30 years, but not~~
124 ~~exceeding 50 years, may be approved by a majority vote at a~~
125 ~~public meeting. Before considering such a lease, in addition to~~

126 ~~providing public notice regarding the intent to enter into such~~
 127 ~~a lease, the Port Authority shall advertise, in a newspaper of~~
 128 ~~general circulation in Brevard County, the Port Authority's~~
 129 ~~intent to enter into such a lease no less than 30 days before~~
 130 ~~the consideration of such lease at a duly noticed regular~~
 131 ~~meeting of the Port Authority. The notice requirement contained~~
 132 ~~in this section shall run concurrently with the public notice~~
 133 ~~requirements contained in Article II.~~

134 2.3. A lease for a period of more than 30 ~~50~~ years, but
 135 not exceeding 99 years, may be approved by a super majority vote
 136 of 75 percent of the full Port Authority Commission ~~voting~~ at
 137 two public meetings. Before considering such a lease, ~~in~~
 138 ~~addition to providing public notice regarding the intent to~~
 139 ~~enter into such a lease,~~ the Port Authority shall publish notice
 140 in a manner provided in chapter 50, Florida Statutes, no less
 141 than 60 days before the first public meeting at which the Port
 142 Authority will consider the lease and provide Public Notice of
 143 ~~advertise, in a newspaper of general circulation in Brevard~~
 144 ~~County,~~ the Port Authority's intent to enter into such a lease
 145 ~~no less than 60 days before the first public meeting at which~~
 146 ~~the Port Authority will consider the lease. The notice~~
 147 ~~requirement contained in this section shall run concurrently~~
 148 ~~with the public notice requirements contained in Article II.~~

149 Section 25. (a) The authority has the power to sell or
 150 otherwise convey or dispose of any lands or any interests or

151 rights in lands to which the Port District acquired title after
 152 January 1, 1987, or to which it may hereafter acquire title,
 153 whenever the Port Authority determines it is in the best
 154 interest of the Port District to do so at the best price and
 155 terms obtainable, for such terms and conditions as the Port
 156 Authority may in its discretion determine. The power to sell or
 157 otherwise convey granted herein specifically includes the power
 158 by the Port Authority to enter into public partnerships
 159 regarding Port District lands upon such terms and conditions as
 160 the Port Authority may in its discretion determine. However, any
 161 conveyance or agreement must be for a public purpose.

162 1. All sales of land, interests, or rights in land, or the
 163 lease of any interests in land, shall be for cash or upon terms
 164 and security to be approved by the Port Authority. No deed shall
 165 be executed and delivered for any sale until full payment is
 166 made and received by the Port Authority.

167 2. Before selling or disposing of any land or any interest
 168 or rights in and to any land, ~~it shall be the duty of~~ the Port
 169 Authority shall ~~to~~ provide Public Notice regarding the intention
 170 to sell or dispose of the land. The notice ~~first publication~~
 171 shall be not less than 15 days nor more than 30 days before the
 172 meeting at which the proposed sale or disposition will be
 173 considered. The notice shall set forth a description of the
 174 lands or interests or rights in lands offered for sale or other
 175 disposition.

176 3. Deeds of conveyance of lands, the titles to which are
 177 held by the Port District or in the name of the Port Authority,
 178 shall be by special warranty deed.

179 4. All deeds of conveyance held by the Port District or by
 180 the Port Authority shall convey only the interest of the Port
 181 District or the Port Authority in the property covered thereby.

182 (b) The Port Authority may exchange lands or interests or
 183 rights in lands owned and acquired by the Port Authority after
 184 January 1, 1987, or lands or interests or rights in said lands
 185 for which title is otherwise vested in the Port Authority for
 186 other lands or interests or rights in lands within the state
 187 owned by any person. The Port Authority shall fix the terms and
 188 conditions of any such exchange and may pay or receive any sum
 189 of money that the Port Authority considers necessary to equalize
 190 the values of exchanged properties. Public Notice of the meeting
 191 at which said exchange is considered shall be provided before
 192 the adoption by the Port Authority of a resolution authorizing
 193 the exchange of properties. The Port Authority shall also
 194 publish notice in a manner provided in chapter 50, Florida
 195 Statutes, of advertise, ~~in a newspaper of general circulation in~~
 196 ~~Brevard County,~~ the Port Authority's intent to exchange such
 197 land or interest or rights in lands no less than 60 days before
 198 the public meeting at which the Port Authority will consider the
 199 exchange. ~~This 60-day notice requirement shall run concurrently~~
 200 ~~with the public notice requirements contained in Article II.~~

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ARTICLE V
PORT COMMISSIONERS

Section 1. (a) The governing authority of the Port District is hereby created and shall be designated as the Port Authority and shall consist of five Port Commissioners, one Port Commissioner from each Commissioner Port District, who shall be a qualified elector and reside within the Commissioner Port District from which he or she is appointed or nominated and elected. All Port Commissioners shall be elected for 4-year terms, and said terms shall be arranged so that three Port Commissioners are elected at one general election and two Port Commissioners elected at the next ensuing general election. ~~For the general election in 2014, the term of office of each Port Commissioner shall commence on the Tuesday after the first Monday in January after his or her election. Commencing with the election in November 2016 and each general election thereafter,~~ The term of office of each Port Commissioner shall commence on the first Port Authority meeting after his or her election at the general election and. ~~The terms of office for those commissioners which would expire in January 2017 shall expire upon the commencement of their respective successor's term on the first Port Authority meeting after the general election in 2016 and each general election thereafter.~~

226 (b) No Port Commissioner elected in the general election
 227 of 2014 or subsequent thereto shall serve more than three
 228 consecutive terms. Service as a Port Commissioner before the
 229 terms that commenced in January 2015 shall not be considered in
 230 applying the term limitations of this section. The service of
 231 any portion of, the resignation from, or forfeiture of an
 232 elective office during any part of a 4-year elective term shall
 233 be deemed to constitute a full and complete term under this
 234 section.

235 Section 2. (a) Each Commissioner Port District shall be a
 236 residency district for all elections hereunder. The five Port
 237 Commissioners shall be elected at the general election held in
 238 each Commissioner Port District next ensuing and at all
 239 subsequent general primaries and general elections thereafter
 240 upon the official county ballots, pursuant to this charter.

241 (b) Nomination of candidates shall be made by residency
 242 districts at the primary elections, by the various political
 243 parties, as general law provides for County Commissioners of
 244 Brevard County, at which primary elections the electors of the
 245 Port District at large who are qualified to vote in such primary
 246 elections shall be entitled to vote. The Board of County
 247 Commissioners shall not print the name of any person as a
 248 candidate on the ballots for general elections unless he or she
 249 shall have been so nominated.

250 (c) Candidates for nomination in primary elections shall

251 pay the same filing fee to the Brevard Clerk of the Board of
252 County Supervisor of Elections Commissioners; file in the same
253 manner the like oaths, sworn statements, and receipts for party
254 assessments; be governed by the same restrictions; be subject to
255 like party assessments by the County Executive Committees of the
256 respective political parties; and in all respects comply with
257 the general laws of Florida governing candidates for Board of
258 County Commissioners in primaries.

259 (d) Elections of candidates shall be at general elections
260 as provided by general law, at which general elections all
261 qualified electors residing within the Port District shall be
262 entitled to vote.

263 Section 7. All meetings of the Port Authority shall be
264 open to the public, shall be governed by chapters 286 and 189,
265 Florida Statutes, and shall be held at a duly noticed location
266 within the Port District. Records of all business transacted by
267 the Port Authority shall be kept and preserved in substantial
268 minute books by the secretary as permanent records, and the
269 minute books or excerpts therefrom, duly certified by the
270 secretary under the seal of the Port Authority, shall be prima
271 facie evidence in all courts of the proceedings of the Port
272 Authority. Unless prohibited by law, such records may be
273 maintained in an electronic format in lieu of physical books.
274 The Port Authority shall have the power to prescribe by
275 resolution rules for the conduct of its meetings not

276 | inconsistent herewith.

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ARTICLE VI

279 |

ADDITIONAL POWERS

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Section 4. Commencing in 2015, and every 3 years

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thereafter, the Port Authority shall review the Port District

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Land Use Plan. Before approving any amendment to the Land Use

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Plan, the Port Authority shall provide Public Notice ~~public~~

285 |

~~notice~~ of the Port Authority meeting at which the amendment to

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the Land Use Plan will be considered. Any amendment to the Port

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District Land Use Plan shall only be considered at a duly

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noticed public hearing. Nothing herein shall restrict the Port

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Authority's ability to use Port Authority property in a manner

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as determined by the Port Authority to be in the Port

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Authority's best interest.

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ARTICLE VIII

294 |

LEVY OF TAXES

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Section 1. The Port Authority shall not, during any one

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year, levy a tax in any greater sum or amount than shall be

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necessary for the following purposes:

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(a) A tax not exceeding 3 mills on the dollar of the total

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assessed valuations of all taxable property, both real and

301 personal, within said Port District for each year. Said tax
 302 shall constitute an administration fund for operation,
 303 maintenance, and general administration expenses and for the
 304 purchase of rights-of-way.

305 (b) A tax for the purpose of paying the principal and
 306 interest on revenue certificates and revenue bonds outstanding,
 307 and for the proper sinking funds for the protection thereof, and
 308 not exceeding in the aggregate the sum of \$20 ~~\$7.5~~ million in
 309 principal, as the same severally mature in accordance with their
 310 tenure.

311
 312 ARTICLE XVII

313 CONTRACTS; COMPETITION

314
 315 Section 1. No contract shall be let by the Port Authority
 316 for any construction, improvement, repair, or building, nor
 317 shall any goods, supplies, or materials for Port District
 318 purposes or uses be purchased, when the amount to be paid by the
 319 Port Authority shall exceed \$100,000 unless competitive
 320 conditions have been maintained and competitive solicitations
 321 sought except as otherwise provided by general law or this
 322 charter. The Port Authority shall advertise a competitive
 323 solicitation at least 10 days, but not more than 90 days, before
 324 receiving bids in a manner provided in chapter 50, Florida
 325 Statutes, ~~once a week for 3 consecutive weeks in a newspaper of~~

326 ~~general circulation in the Port District and Brevard County and~~
327 ~~for no less than 3 consecutive weeks~~ on the Port Authority's
328 website. Following the receipt and evaluations of the proposals
329 or bids, the Port Authority shall award the contract to the
330 proposer or bidder who presents the most responsive, responsible
331 proposal or bid at a cost most advantageous to the Port
332 Authority, all factors considered. The Port Authority retains
333 the authority to reject all proposals and bids. The Port
334 Authority may also require the deposit of cash, certified check,
335 or bid bond, not to exceed 10 percent of the bid or proposal, as
336 evidence of good faith on the part of the proposers or bidders,
337 such deposit to be returned when the bid or proposal is rejected
338 or performance bond deposited or contract completed, or shall be
339 retained to secure the payment of the penal sum in the event the
340 proposer or bidder fails to enter into such contract and give
341 such performance and payment bond or bonds. The Port Authority
342 may provide for preferences in the evaluation process with
343 respect to businesses or residents located within the Port
344 District.

345 Section 2. In the event it is reasonably expected that the
346 cost of a contract under section 1 shall be greater than \$25,000
347 ~~\$10,000~~ but less than \$100,000, the Chief Executive Officer or
348 his or her designee shall do the following:

349 (a) Request ~~Obtain at least three~~ written bid offers to
350 perform such work or furnish such property from at least three

351 independent persons or business entities responsible in the
 352 subject business endeavor under consideration.

353 (b) Make a record of the offers.

354 (c) After obtaining and recording such offers, award the
 355 contract to the most responsive, responsible, and qualified
 356 bidder of those solicited as provided in this article.

357 Section 3. ~~In lieu of~~ The ~~competitive~~ bid requirements set
 358 forth in sections 1 and 2 do not apply to:

359 (a) Purchases through a contract issued by a federal,
 360 state, or local government or a school board, or agencies
 361 thereof, if such contract has been competitively bid;

362 (b) Purchases made pursuant to the Consultants'
 363 Competitive Negotiation Act;

364 (c) Purchases made pursuant to s. 255.20, Florida
 365 Statutes, as may be amended from time to time;

366 (d) Purchases of equipment, supplies, materials, or
 367 services from a federal General Services Administration schedule
 368 or for a federal agency when required for Port operations;

369 (e) Purchases of equipment, supplies, materials, or
 370 services when competitive solicitation and award are excepted or
 371 exempted by law, including, but not limited to, those identified
 372 in chapters 255 and 287, Florida Statutes, as may be amended
 373 from time to time;

374 (f) Purchases of required equipment, supplies, materials,
 375 or services that are highly specialized or proprietary, or when

376 no other authorized vendor can supply the required equipment,
 377 supplies, materials, or services;

378 (g) Emergency purchases necessary to mitigate a situation
 379 that threatens the safety of employees or passengers, the
 380 operation of the Port, or the loss of Port property;

381 (h) Certain mandatory, recurring, or day-to-day
 382 expenditures such as utilities, government fees, or purchases of
 383 equipment, supplies, materials, or services provided through
 384 interlocal governmental agreements;

385 (i) Purchases of government surplus material and
 386 equipment;

387 (j) Purchases of used equipment and material to be used
 388 for Port purposes, provided that two independent appraisals are
 389 obtained and considered;

390 (k) Purchases through the Port Authority's Owner-Direct
 391 Purchase Program when the construction contract or construction
 392 management contract has been awarded in accordance with this
 393 Article; and

394 (l) Situations in which the Port Authority has taken over
 395 by transfer or assignment any contract authorized to be assigned
 396 to it under this act, the Port Authority may use purchase
 397 agreements or contracts of any state agency, county, school
 398 board, or municipality, or of the Federal Government or its
 399 agencies, which agreements or contracts have been competitively
 400 bid for the purchase of goods, supplies, or materials for Port

401 ~~District purposes.~~

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403

ARTICLE XIX

404

COMMERCIAL FISHING

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Section 2. The Port Authority shall invite representatives of the commercial fish dealing industry to offer a presentation at a public hearing held at a regularly scheduled meeting, not less than once every 2 years, to discuss the state of the commercial fish dealing industry at Port Canaveral. The Port Authority shall provide Public Notice ~~public notice~~ before the annual public hearing to discuss the state of the commercial fish dealing industry at Port Canaveral. In addition, the Port Authority shall provide written notice via United States mail to existing commercial fish dealing lessees of the annual public hearing no later than 45 days before the public hearing. At such public hearing, members of the public will be permitted to discuss with the Port Authority the commercial fish dealing industry at Port Canaveral, ideas for improving the commercial fish dealing industry at Port Canaveral, or other issues related to the general state of the commercial fish dealing industry at Port Canaveral.

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424

425

Section 3. Before the nonrenewal of a lease or the involuntary relocation of a lessee engaged in commercial fish dealing operations, the Port Authority shall provide Public

426 | Notice ~~public notice~~ of the item to be considered at a public
 427 | hearing. At the public hearing, the lessee shall be entitled to
 428 | present information with respect to remaining in the current
 429 | location or to have its lease renewed, subject to the then
 430 | prevailing terms, conditions, and rates pertaining to similar
 431 | parcels of lands or leaseholds within the Port. The Port
 432 | Authority may offer the commercial fish dealing lessee a reduced
 433 | rental rate conditioned upon the lessee's primary use of the
 434 | premises for commercial fish dealing operations. Following the
 435 | lessee's presentation to the Port Authority, the Port Authority
 436 | may, by a supermajority vote, elect to not renew the lease or to
 437 | relocate the lessee if permitted pursuant to the terms of the
 438 | lease. This section shall only apply to leases between the Port
 439 | Authority and a lessee primarily engaged in commercial fish
 440 | dealing operations.

442 | ARTICLE XX

443 | PUBLIC RECREATIONAL INTERESTS

445 | (a) The Port Authority shall, in its discretion, use its
 446 | best efforts to facilitate public recreational interests. The
 447 | Port Authority shall hold an annual public hearing to discuss
 448 | the state of recreational interests at Port Canaveral. The Port
 449 | Authority shall provide Public Notice ~~public notice~~ before
 450 | holding the public hearing on the state of recreational

451 interests at Port Canaveral at a regularly scheduled Port
 452 Authority meeting.

453 (b) At the public hearing, members of the public will be
 454 permitted to discuss any issues, problems, concerns, and
 455 proposals related to recreational interests at Port Canaveral.

456 (c) The term "recreational interests" shall include, but
 457 not be limited to, all activities at Port Canaveral related to
 458 parks, boating, fishing, and camping. The Port Authority will
 459 maintain these recreational interests.

460

461 ARTICLE XXI

462 COMMERCIAL SPACE LAUNCH INDUSTRY

463

464 Section 1. The Port Authority shall take reasonable
 465 measures to support the Commercial Space Launch Industry at Port
 466 Canaveral and shall submit by February 1 of each year,
 467 commencing February 1, 2025, an annual report to the chair of
 468 the Space Florida Board of Directors on such measures. The term
 469 "Commercial Space Launch Industry" means any company
 470 substantially engaged in the transport, operation, and recovery
 471 of space launch or landing services with active maritime
 472 operations at Port Canaveral.

473 Section 2. The Port Authority shall hold a public hearing
 474 at least once every 2 years to discuss the state of Commercial
 475 Space Launch Industry interests at Port Canaveral. The Port

476 Authority shall invite representatives from the Commercial Space
477 Launch Industry with active maritime assets or operations at
478 Port Canaveral and Space Florida to attend the public hearing at
479 least 45 days before the public hearing. The Port Authority
480 shall provide Public Notice before holding the public hearing at
481 a regularly scheduled Port Authority meeting. In addition, the
482 Port Authority shall provide written notice of the hearing via
483 United States mail to the chair of the Space Florida Board of
484 Directors at least 45 days before the public hearing.

485 Section 3. At the public hearing, representatives from the
486 Commercial Space Launch Industry and Space Florida and members
487 of the public will be permitted to discuss any issues, concerns,
488 or proposals related to the growth of the Commercial Space
489 Launch Industry at Port Canaveral.

490 Section 2. This act shall be liberally construed to
491 effectuate the purposes set forth herein.

492 Section 3. This act shall take effect upon becoming a law.

HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

BILL #: HB 897 Dorcas Fire District, Okaloosa County
SPONSOR(S): Maney
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Local Administration, Federal Affairs & Special Districts Subcommittee	12 Y, 1 N	Mwakyanjala	Darden
2) Ways & Means Committee		Rexford	Aldridge
3) State Affairs Committee			

SUMMARY ANALYSIS

Special districts are units of local government created for a particular purpose, with jurisdiction to operate within a limited geographic boundary. Special districts are created by general law, special act, local ordinance, or rule of the Governor and Cabinet. A special district has only those powers expressly provided by, or reasonably implied from, the authority provided in the district's charter. Special districts provide specific municipal services in addition to, or in place of, those provided by a municipality or county. Special districts may be classified as dependent or independent based on their relationship with local general-purpose governments. A special district is classified as "dependent" if the governing body of a single county or municipality:

- Serves as governing body of the district;
- Appoints the governing body of the district;
- May remove members of the district's governing body at-will during their unexpired terms; or
- Approves or can veto the budget of the district.

A district is classified as "independent" if it does not meet any of the above criteria or is located in more than one county, unless the district lies entirely within the boundaries of single municipality.

Independent special fire control districts are a type of independent special district created by the Legislature for the purpose of providing fire suppression and related activities within the territorial jurisdiction of the district. Independent fire control districts are governed by both the Uniform Special District Accountability Act and the Independent Special Fire Control District Act.

The bill converts the Dorcas Fire District from an independent special district to a dependent special district, with a board comprised of the Okaloosa County Board of County Commissioners or its appointees.

The bill revises the non-ad valorem assessment rates provided in the district charter to reflect rates currently levied by the district after inflation adjustments.

The Economic Impact Statement filed with the bill anticipates costs of \$75,875 and \$81,298, in the first and second fiscal years, respectively, in order to implement the bill.

The bill is effective upon becoming law.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Special Districts

A “special district” is a unit of local government created for a particular purpose, with jurisdiction to operate within a limited geographic boundary.¹ Special districts are created by general law, special act, local ordinance, or rule of the Governor and Cabinet.² A special district has only those powers expressly provided by, or reasonably implied from, the authority provided in the district’s charter. Special districts provide specific municipal services in addition to, or in place of, those provided by a municipality or county.³ Special districts are funded through the imposition of ad valorem taxes, fees, or charges on the users of those services as authorized by law.⁴

Special districts may be classified as dependent or independent based on their relationship with local general-purpose governments. A special district is classified as “dependent” if the governing body of a single county or municipality:

- Serves as governing body of the district;
- Appoints the governing body of the district;
- May remove members of the district’s governing body at-will during their unexpired terms; or
- Approves or can veto the budget of the district.⁵

A district is classified as “independent” if it does not meet any of the above criteria or is located in more than one county, unless the district lies entirely within the boundaries of single municipality.⁶

Independent Special Fire Control Districts

An independent special fire control district is a type of independent special district created by the Legislature to provide fire suppression and related activities within the territorial jurisdiction of the district.⁷ As of January 12, 2024, there were 54 active independent special fire control districts.⁸

The Independent Special Fire Control District Act (ISFCDA)⁹ provides standards, direction, and procedures for the uniform operation and governance of these districts, including financing authority, fiscally-responsible service delivery, and elections.¹⁰ The ISFDCA controls over more specific

¹ S. 189.012(6), F.S.

² See ss. 189.02(1), 189.031(3), and. 190.005(1), F.S. See generally s. 189.012(6), F.S.

³ Local Administration, Federal Affairs & Special Districts Subcommittee, *The Local Government Formation Manual*, 62, available at <https://myfloridahouse.gov/Sections/Documents/loaddoc.aspx?PublicationType=Committees&CommitteeId=3227&Session=2024&DocumentType=General+Publications&FileName=2022+Local+Government+Formation+Manual.pdf> (last visited Jan. 24, 2024).

⁴ The method of financing a district must be stated in its charter. Ss. 189.02(4)(g), 189.031(3), F.S. Independent special districts may be authorized to impose ad valorem taxes as well as non-ad valorem special assessments in the special acts comprising their charters. See, e.g., ch. 2023-335, s. 6 of s. 1, Laws of Fla. (East River Ranch Stewardship District). See also, e.g., ss. 190.021 (community development districts), 191.009 (independent fire control districts), 197.3631 (non-ad valorem assessments), 298.305 (water control districts), 388.221 (mosquito control), ch. 2004-397, s. 27 of s. 3, Laws of Fla. (South Broward Hospital District).

⁵ S. 189.012(2), F.S.

⁶ S. 189.012(3), F.S.

⁷ S. 191.003(5), F.S.

⁸ Dept. of Commerce, Special District Accountability Program, *Official List of Special Districts*, available at <https://specialdistrictreports.floridajobs.org/OfficialList/CustomList>.

⁹ Ch. 191, F.S.

¹⁰ S. 191.002, F.S.

provisions in any special act or general law of local application creating a fire control district's charter,¹¹ requires every fire control district be governed by a five-member board,¹² and provides:

- General powers;¹³
- Special powers;¹⁴
- Authority and procedures for the assessment and collection of ad valorem taxes;¹⁵
- Authority and procedures for the imposition, levy, and collection of non-ad valorem assessments, charges, and fees;¹⁶ and
- Issuance of district bonds and evidence of debt.¹⁷

Fire control districts may levy ad valorem taxes on real property within the district of no more than 3.75 mills unless a greater amount was previously authorized.¹⁸ A district also may levy non-ad valorem assessments and adopt a schedule of reasonable fees for services performed.¹⁹ Additionally, the district board may impose an impact fee if authorized by law and the local general purpose government has not adopted an impact fee for fire services that is distributed to the district for the purchase of new facilities and equipment.²⁰

Dorcas Fire District

Dorcas Fire District (District) is an independent special fire control district created by local ordinance in 1984.²¹ The District's charter was codified by special act in 2005.²² The District provides volunteer fire and rescue support.²³ The District is governed by a five-member elected board of fire commissioners (Board).²⁴

The District has the power to levy and assess ad valorem taxes and non-ad valorem assessments.²⁵ The District may not levy ad valorem taxes exceeding 3.75 mills.²⁶ The district's charter provided an initial amount of non-ad valorem assessments that may be levied by the district, which may be increased by the district's board each year by a rate not to exceed average annual growth rate in Florida personal income over the previous 5 years.²⁷

The District had revenues of \$260,427 and expenses of \$314,017 during fiscal year 2019-20, the most recent year the district reported audited financial information to the Auditor General.²⁸ During its most recent fiscal year, the District did not levy ad valorem taxes, but levied non-ad valorem assessments subject to the following schedule:

- For commercial buildings and business, \$215.61 per unit;

¹¹ S. 191.004, F.S. Provisions in other laws pertaining to district boundaries or geographical sub-districts for electing members to the governing board are excepted from this section.

¹² S. 191.005(1)(a), F.S. (fire control district may continue to be governed by a three-member board if authorized by special act adopted in or after 1997).

¹³ S. 191.006, F.S. (e.g. the power to sue and be sued in the name of the district, the power to contract, and the power of eminent domain).

¹⁴ S. 191.008, F.S.

¹⁵ Ss. 191.006(14) and 191.009(1), F.S.

¹⁶ Ss. 191.006(11) and (15); 191.009(2), (3), and (4); and 191.011, F.S.

¹⁷ S. 191.012, F.S.

¹⁸ S. 191.009(1), F.S. *But see* art. VII, s. 9, Fla. Const. (special districts may not levy an ad valorem tax in excess of the millage "authorized by law approved by vote of the electors.")

¹⁹ Ss. 191.009(2)-(3), F.S. If the district levies a non-ad valorem assessment to fund emergency medical and transport services, the district is prohibited from levying an ad valorem tax to fund those services.

²⁰ S. 191.009(4), F.S.

²¹ Okaloosa Cnty. Fla., Ord. No. 84-39 (Dec. 18, 1984).

²² Ch. 2005-331, Laws of Fla.

²³ Dorcas Fire District, *Audited Financial Statements and Supplementary Information, Year Ended September 30, 2020*, 16, https://flauditor.gov/pages/specialdistricts_efile%20rpts/2020%20dorcas%20fire%20district.pdf (last visited Jan. 24, 2024).

²⁴ Ch. 2005-331, s. 5(1)(a), Laws of Fla.

²⁵ Ch. 2005-331, s. 8, Laws of Fla.

²⁶ Ch. 2005-331, s. 8(1), Laws of Fla.

²⁷ Ch. 2005-331, ss. 8(2) and 9(2), Laws of Fla.

²⁸ *Supra* note 23 at 14.

- For residential dwellings, \$107.80; and
- For vacant land, \$6.44 for parcels of up to 9.5 acres, \$61.46 plus \$0.10 per acre for parcels of greater than 9.5 acres.²⁹

Effect of Proposed Changes

The bill converts the District from an independent special fire control district to a dependent district of the county, governed by the Okaloosa County Board of County Commissioners or its appointees. The bill also makes conforming changes to the District's charter reflecting the change in status from an independent special fire control district to a dependent district.

The bill revises the non-ad valorem assessment rates provided in the district charter to reflect rates currently levied by the district after annual inflation adjustments authorized by the charter.

The Economic Impact Statement filed with the bill anticipates costs of \$75,875 and \$81,298, in the first and second fiscal years, respectively, related to implementation costs for the county to take over district operations.

B. SECTION DIRECTORY:

Section 1: Amends ch. 2005-331, Laws of Fla., relating to Dorcas Fire District.

Section 2: Provides severability.

Section 3: Provides that the bill is effective upon becoming a law.

II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? November 1, 2023.

WHERE? The *Northwest Florida Daily News*, a newspaper of general circulation in Okaloosa County, Florida.

B. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes No

D. ECONOMIC IMPACT STATEMENT FILED? Yes No

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

²⁹ See Okaloosa Cnty. Property Appraiser, *Property Search*, <https://qpublic.schneidercorp.com/application.aspx?app=OkaloosaCountyFL&PageType=Search> (last visited Jan. 24, 2024) (querying TRIM notices of individual parcels of each type within the boundaries of the district).

None.

B. RULE-MAKING AUTHORITY:

The bill does not provide rulemaking authority or require executive branch rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

None.

1 A bill to be entitled
 2 An act relating to the Dorcas Fire District, Okaloosa
 3 County; amending chapter 2005-331, Laws of Florida;
 4 providing that the district is a dependent special
 5 district; removing provisions relating to the
 6 district's status as an independent special district;
 7 providing that the Okaloosa County Board of County
 8 Commissioners or its appointees shall serve as the
 9 governing board of the district; deleting provisions
 10 relating to the duties, election, terms, compensation,
 11 and meetings of the district board of commissioners;
 12 removing the requirement that a resolution or
 13 ordinance adopted by the board and approved by
 14 referendum only be repealed by referendum; authorizing
 15 the district to assess ad valorem taxes and non-ad
 16 valorem assessments, and to impose and foreclose non-
 17 ad valorem assessment liens, as authorized by law;
 18 removing the board's authority to enter into certain
 19 agreements with general purpose local governments;
 20 revising the rate of assessment of non-ad valorem
 21 assessments by the district; providing that expansion
 22 and merger of the district shall be ratified by the
 23 board; providing severability; providing an effective
 24 date.
 25

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

27

28 Section 1. Section 1, subsection (1) of section 2, and
 29 sections 3 through 11 of section 2 of chapter 2005-331, Laws of
 30 Florida, are amended to read:

31 Section 1. Creation; intent.—The Dorcas Fire District is
 32 re-created as a dependent ~~an independent~~ fire control district
 33 which shall operate pursuant to this special act and ~~the~~
 34 ~~provisions of chapter 191, Florida Statutes, the Independent~~
 35 ~~Special Fire Control District Act,~~ and all other general laws,
 36 whether referenced herein or not, which are applicable to
 37 dependent ~~independent~~ special districts.

38 Section 2. Creation; boundaries.—

39 (1) All of the following lands in Okaloosa County shall be
 40 incorporated as a dependent ~~an independent~~ special fire control
 41 district, ~~which shall be a public municipal corporation for the~~
 42 ~~public benefit, with perpetual existence, to be known as the~~
 43 ~~Dorcas Fire District in which name it may sue and be sued,~~
 44 ~~lease, own, possess, and convey real and personal property, by~~
 45 ~~purchase or gift or otherwise, to carry out the purposes of this~~
 46 ~~act. The lands so incorporated shall include the following:~~

47

48 Commence at northwest corner of Section 7, Township 4
 49 North, Range 22 West; thence east along Section line
 50 to Okaloosa County line; thence south along Okaloosa

51 County line to southeast corner of Section 36,
52 Township 3 North, Range 22 West; thence west along
53 Section line to Shoal River; thence northeasterly
54 along Shoal River to west Section line of Section 6,
55 Township 3 North, Range 22 West; thence north along
56 Section line to point of beginning. Okaloosa County,
57 Florida.

58
59 ~~Section 3. Intent. The purposes of this act are to:~~

60 ~~(1) Comply with chapter 97-256, Laws of Florida, which~~
61 ~~calls for the codification of charters of all independent~~
62 ~~special fire control districts as defined in section 191.003,~~
63 ~~Florida Statutes, which were created by special law or general~~
64 ~~law of local application.~~

65 ~~(2) Provide standards, direction, and procedures~~
66 ~~concerning the operation and governance of the special fire~~
67 ~~control district known as the Dorcas Fire District.~~

68 ~~(3) Provide greater uniformity between the Dorcas Fire~~
69 ~~District and other independent special fire control districts.~~

70 ~~(4) Provide greater uniformity in the financing authority~~
71 ~~of the Dorcas Fire District without hampering the efficiency and~~
72 ~~effectiveness of current authorized and implemented methods and~~
73 ~~procedures of raising revenues.~~

74 ~~(5) Improve communication and coordination between the~~
75 ~~Dorcas Fire District and other local governments with respect to~~

76 ~~short-range and long-range planning to meet the demands for~~
 77 ~~service delivery while maintaining fiscal responsibility.~~

78 ~~(6) Provide uniform procedures for electing members of the~~
 79 ~~governing board of the Dorcas Fire District to ensure greater~~
 80 ~~accountability to the public.~~

81 Section 3 4. Definitions.-

82 (1) "Board" means the governing board of the Dorcas Fire
 83 District, which shall be comprised of the Okaloosa County Board
 84 of County Commissioners or its appointees.

85 (2) "District" means the Dorcas Fire District, a dependent
 86 ~~an independent~~ special fire control district ~~as defined in~~
 87 ~~section 191.003, Florida Statutes.~~

88 (3) "Elector" means a person who is a resident of the
 89 Dorcas Fire District and is qualified to vote in a general
 90 election within Okaloosa County.

91 (4) "Emergency medical service" means basic and advanced
 92 life support service as defined in section 401.23, Florida
 93 Statutes.

94 (5) "Rescue response service" means an initial response to
 95 an emergency or accident situation, including, but not limited
 96 to, a plane crash, a trench or building collapse, a swimming or
 97 boating accident, or a motor vehicle accident.

98 ~~Section 5. District board of commissioners; membership,~~
 99 ~~terms of office, officers, meetings.-~~

100 ~~(1)(a) The business affairs of the district shall be~~

101 ~~conducted and administered by a five-member board. The board~~
102 ~~shall be elected in nonpartisan elections by the electors of the~~
103 ~~district. Except as provided in this act, such elections shall~~
104 ~~be held at a time and in a manner prescribed by law for holding~~
105 ~~general elections in accordance with section 189.405, Florida~~
106 ~~Statutes, and each member shall be elected for a term of 4 years~~
107 ~~and serve until the member's successor assumes office.~~
108 ~~Candidates for the board of the district shall qualify with the~~
109 ~~Okaloosa County Supervisor of Elections. All candidates may~~
110 ~~qualify by paying a filing fee of at least \$25 or by obtaining~~
111 ~~the signatures of at least 25 registered electors of the~~
112 ~~district on petition forms provided by the supervisor of~~
113 ~~elections which petitions shall be submitted and checked in the~~
114 ~~same manner as petitions filed by nonpartisan judicial~~
115 ~~candidates pursuant to section 105.035, Florida Statutes.~~
116 ~~(b) The members of the board shall be elected by the~~
117 ~~electors of the district in the manner provided in this section.~~
118 ~~The office of each member of the board is designated as being a~~
119 ~~seat on the board, distinguished from each of the other seats by~~
120 ~~a numeral: 1, 2, 3, 4, or 5. The numerical seat designation does~~
121 ~~not designate a geographical subdistrict. Each candidate for a~~
122 ~~seat on the board shall designate, at the time the candidate~~
123 ~~qualifies, the seat on the board for which the candidate is~~
124 ~~qualifying. The name of each candidate who qualifies for~~
125 ~~election to a seat on the board shall be included on the ballot~~

126 ~~in a way that clearly indicates the seat for which the candidate~~
127 ~~is a candidate. The candidate for each seat who receives the~~
128 ~~most votes cast for a candidate for the seat shall be elected to~~
129 ~~the board.~~

130 ~~(2) Each member of the board must be a qualified elector~~
131 ~~at the time he or she qualifies and continually throughout his~~
132 ~~or her term.~~

133 ~~(3) Each elected member of the board shall assume office~~
134 ~~10 days following the member's election. Annually, within 60~~
135 ~~days after the newly elected members have taken office, the~~
136 ~~board shall organize by electing from its members a chair, a~~
137 ~~vice chair, a secretary, and a treasurer. The positions of~~
138 ~~secretary and treasure may be held by one member. Funds of the~~
139 ~~district may be disbursed only upon the order or pursuant to~~
140 ~~resolution of the board. However, a petty cash account may be~~
141 ~~authorized by the board. The board may give the treasurer~~
142 ~~additional powers and duties that it deems appropriate.~~

143 ~~(4) Members of the board may each be paid a salary or~~
144 ~~honorarium to be determined by at least a majority plus one vote~~
145 ~~of the board, which salary or honorarium may not exceed \$500 per~~
146 ~~month for each member. Special notice of any meeting at which~~
147 ~~the board will consider a salary change for a board member shall~~
148 ~~be published at least once, at least 14 days prior to the~~
149 ~~meeting, in a newspaper of general circulation in Okaloosa~~
150 ~~County. Separate compensation for the board member serving as~~

151 ~~treasurer may be authorized by like vote so long as total~~
152 ~~compensation for the board member does not exceed \$500 per~~
153 ~~month. Members may be reimbursed for travel and per diem~~
154 ~~expenses as provided in section 112.061, Florida Statutes.~~

155 ~~(5) If a vacancy occurs on the board due to the~~
156 ~~resignation, death, or removal of a board member or the failure~~
157 ~~of anyone to qualify for a board seat, the remaining members may~~
158 ~~appoint a qualified person to fill the seat until the next~~
159 ~~general election, at which time an election shall be held to~~
160 ~~fill the vacancy for the remaining term, if any. The board shall~~
161 ~~remove any member who has three consecutive unexcused absences~~
162 ~~from regularly scheduled meetings. The board shall adopt a~~
163 ~~resolution defining excused and unexcused absences.~~

164 ~~(6) Each member shall, upon assuming office, take and~~
165 ~~subscribe to the oath of office prescribed by s. 5(b), Art. II~~
166 ~~of the State Constitution and section 876.05, Florida Statutes.~~
167 ~~Each member, within 30 days after assuming office, must give the~~
168 ~~Governor a good and sufficient surety bond in the sum of \$5,000,~~
169 ~~the cost thereof being borne by the district, conditioned on the~~
170 ~~member's faithful performance of his or her duties of office.~~

171 ~~(7) The board shall keep a permanent record book entitled~~
172 ~~"Record of Proceedings of the Dorcas Fire District," in which~~
173 ~~the minutes of all meetings, resolutions, proceedings,~~
174 ~~certificates, bonds given by commissioners, and corporate acts~~
175 ~~shall be recorded. The record book shall be open to inspection~~

176 ~~in the same manner as state, county, and municipal records are~~
177 ~~open under chapter 119, Florida Statutes, and s. 24, Art. I of~~
178 ~~the State Constitution. The record book shall be kept at the~~
179 ~~office or other regular place of business maintained by the~~
180 ~~board for the Dorcas Fire District.~~

181 ~~(8) All meetings of the board shall be open to the public,~~
182 ~~consistent with chapter 286, Florida Statutes, section 189.417,~~
183 ~~Florida Statutes, and other applicable general laws.~~

184 ~~(9) The officers of the board of commissioners shall have~~
185 ~~the duties usually pertaining to like officers. A record shall~~
186 ~~be kept of all meetings of the board in a manner consistent with~~
187 ~~subsection (7), and in such meetings concurrence of a majority~~
188 ~~of the commissioners shall be necessary to any affirmative~~
189 ~~action by the board.~~

190 ~~(10) The books and records of the district shall be~~
191 ~~audited at least annually, at the expense of the district, as~~
192 ~~outlined in s. 11.45, Florida Statutes.~~

193 Section 4 ~~6~~. General powers.—The district shall have and
194 the board may exercise by majority vote, the following powers:

195 (1) To sue and be sued in the name of the district, to
196 adopt and use a seal and authorize the use of a facsimile
197 thereof, and to make and execute contracts and other instruments
198 necessary or convenient to the exercise of its powers.

199 (2) To provide for a pension or retirement plan for its
200 employees. Notwithstanding the prohibition against extra

201 compensation as provided in section 215.425, Florida Statutes,
 202 the board may provide for an extra compensation program,
 203 including a lump-sum bonus payment program, to reward
 204 outstanding employees whose performance exceeds standards, if
 205 the program provides that a bonus payment may not be included in
 206 an employee's regular base rate of pay and may not be carried
 207 forward in subsequent years.

208 (3) To contract for the services of consultants to perform
 209 planning, engineering, legal, or other professional services.

210 (4) To borrow money and accept gifts, to apply for and use
 211 grants or loans of money or other property from the United
 212 States, the state, a unit of local government, or any person for
 213 any district purposes and enter into agreements required in
 214 connection therewith, and to hold, use, sell, and dispose of
 215 such moneys or property for any district purpose in accordance
 216 with the terms of the gift, grant, loan, or agreement relating
 217 thereto.

218 (5) To adopt resolutions and procedures prescribing the
 219 powers, duties, and functions of the officers of the district,
 220 the conduct of the business of the district, the maintenance of
 221 records, and the form of other documents and records of the
 222 district. The board may also adopt ordinances and resolutions
 223 that are necessary to conduct district business, if such
 224 ordinances do not conflict with any ordinances of a local
 225 general-purpose government within whose jurisdiction the

226 | ~~district is located. Any resolution or ordinance adopted by the~~
 227 | ~~board and approved by referendum vote of district electors may~~
 228 | ~~only be repealed by referendum vote of district electors.~~

229 | (6) To maintain an office at places it designates within a
 230 | county or municipality in which the district is located and
 231 | appoint an agent of record.

232 | (7) To acquire, by purchase, lease, gift, dedication,
 233 | devise, or otherwise, real and personal property or any estate
 234 | therein for any purpose authorized by this act and to trade,
 235 | sell, or otherwise dispose of surplus real or personal property.
 236 | The board may purchase equipment by an installment sales
 237 | contract if funds are available to pay the current year's
 238 | installments on the equipment and to pay the amounts due that
 239 | year on all other installments and indebtedness.

240 | (8) To hold, control, and acquire by donation or purchase
 241 | any public easement, dedication to public use, platted
 242 | reservation for public purposes, or reservation for those
 243 | purposes authorized by this act and to use such easement,
 244 | dedication, or reservation for any purpose authorized by this
 245 | act consistent with applicable adopted local government
 246 | comprehensive plans and land development regulations.

247 | (9) To lease as lessor or lessee to or from any person,
 248 | firm, corporation, association, or body, public or private, any
 249 | facility or property of any nature for the use of the district
 250 | when necessary to carry out the district's duties and authority

251 | under this act.

252 | (10) To borrow money and issue bonds, revenue anticipation
 253 | notes, or certificates payable from and secured by a pledge of
 254 | funds, revenues, taxes and assessments, warrants, notes, or
 255 | other evidence of indebtedness, and to mortgage real and
 256 | personal property when necessary to carry out the district's
 257 | duties and authority under this act.

258 | (11) To charge user and impact fees authorized by
 259 | resolution of the board, in amounts necessary to conduct
 260 | district activities and services, and to enforce their receipt
 261 | and collection in the manner prescribed by resolution and
 262 | authorized by law. However, the imposition of impact fees may
 263 | only be authorized as provided by subsection (4) of section 6 &.

264 | (12) To exercise the right and power of eminent domain,
 265 | pursuant to chapter 73 or chapter 74, Florida Statutes, over any
 266 | property within the district, except municipal, county, state,
 267 | special district, or federal property used for a public purpose,
 268 | for the uses and purposes of the district relating solely to the
 269 | establishment and maintenance of fire stations and fire
 270 | substations, specifically including the power to take easements
 271 | that serve such facilities consistent with applicable adopted
 272 | local government comprehensive plans and land development
 273 | regulations.

274 | (13) To cooperate or contract with other persons or
 275 | entities, including other governmental agencies, as necessary,

276 convenient, incidental, or proper in connection with providing
 277 effective mutual aid and furthering any power, duty, or purpose
 278 authorized by this act.

279 (14) To assess and impose upon real property in the
 280 district ad valorem taxes and non-ad valorem assessments as
 281 authorized by law ~~this act~~.

282 (15) To impose and foreclose non-ad valorem assessment
 283 liens as provided by law ~~this act~~ or to impose, collect, and
 284 enforce non-ad valorem assessments pursuant to chapter 197,
 285 Florida Statutes.

286 (16) To select as a depository for its funds any qualified
 287 public depository as defined in section 280.02, Florida
 288 Statutes, which meets all the requirements of chapter 280,
 289 Florida Statutes, and has been designated by the State Treasurer
 290 as a qualified public depository, upon such terms and conditions
 291 as to the payment of interest upon the funds deposited as the
 292 board deems just and reasonable.

293 (17) To provide adequate insurance on all real and
 294 personal property, equipment, employees, volunteer firefighters,
 295 and other personnel.

296 (18) To organize, participate in, and contribute
 297 monetarily to organizations or associations relating to the
 298 delivery of or improvement of fire control, fire prevention, and
 299 emergency rescue services, or district administration.

300 (19) To promulgate and enforce reasonable fire regulations

301 by resolution.

302 Section 5 7. Special powers.—The Dorcas Fire District
303 shall provide for fire suppression and prevention by
304 establishing and maintaining fire stations and fire substations
305 and acquiring and maintaining such firefighting and fire
306 protection equipment deemed necessary to prevent or fight fires.
307 All construction shall be in compliance with applicable state,
308 regional, and local regulations, including adopted comprehensive
309 plans and land development regulations. The board shall have and
310 may exercise any or all of the following special powers relating
311 to facilities and duties authorized by this act:

312 (1) Establish and maintain emergency medical and rescue
313 response services and acquire and maintain rescue, medical, and
314 other emergency equipment, pursuant to the provisions of chapter
315 401, Florida Statutes, and any certificate of public convenience
316 and necessity or its equivalent issued hereunder.

317 (2) Employ, train, and equip such personnel, and train,
318 coordinate, and equip such volunteer firefighters, as are
319 necessary to accomplish the duties of the district. The board
320 may employ and fix the compensation of a fire chief or chief
321 administrator. The board shall prescribe the duties of such
322 person, which shall include supervision and management of the
323 operations of the district and its employees and maintenance and
324 operation of its facilities and equipment. The fire chief or
325 chief administrator may employ or terminate the employment of

326 such other persons, including, without limitation, professional,
327 supervisory, administrative, maintenance, and clerical
328 employees, as are necessary and authorized by the board. The
329 compensation and other conditions of employment of the officers
330 and employees of the district shall be provided by the board.

331 (3) Conduct public education to promote awareness of
332 methods to prevent fires and reduce the loss of life and
333 property from fires or other public safety concerns.

334 (4) Adopt and enforce fire safety standards and codes and
335 enforce the rules of the State Fire Marshall consistent with the
336 exercise of the duties authorized by chapter 553 or chapter 633,
337 Florida Statutes, with respect to fire suppression and
338 prevention and fire safety code enforcement.

339 (5) Conduct arson investigations and cause and origin
340 investigations.

341 (6) Adopt hazardous material safety plans and emergency
342 response plans in coordination with the county emergency
343 management agency as provided in chapter 252, Florida Statutes.

344 (7) Contract with general-purpose local government for
345 emergency management planning and services.

346 Section 6 ~~8~~. Taxes, non-ad valorem assessments; impact
347 fees and user charges.—

348 (1) AD VALOREM TAXES.—The ~~elected~~ board of commissioners
349 may levy and assess ad valorem taxes on all taxable property in
350 the district to construct, operate, and maintain district

351 facilities and services, to pay the principal of, and interest
352 on, general obligation bonds of the district, and to provide for
353 any sinking or other funds established in connection with such
354 bonds. An ad valorem tax levied by the board for operating
355 purposes, exclusive of debt service on bonds, may not exceed
356 3.75 mills. The levy of ad valorem taxes pursuant to this
357 section must be approved by referendum called by the board.
358 Nothing in this act shall require a referendum on the levy of ad
359 valorem taxes in the amount as previously authorized by special
360 act, general law of local application, or county ordinance
361 approved by referendum. Such tax shall be assessed, levied, and
362 collected in the same manner as county taxes. The levy of ad
363 valorem taxes approved by referendum shall be reported within 60
364 days after the vote to the Department of Community Affairs.

365 (2) NON-AD VALOREM ASSESSMENTS.—The ~~elected~~ board of
366 commissioners may levy non-ad valorem assessments to provide
367 funds for the purposes of the district. The rate of such
368 assessments must be fixed by resolution of the board pursuant to
369 the procedures contained in section 7 ~~9~~. Non-ad valorem
370 assessment rates set by the board may exceed the maximum rates
371 established by this or any prior special act, any county
372 ordinance, the previous year's resolution, or a referendum in an
373 amount not to exceed the average annual growth rate in Florida
374 personal income over the previous 5 years. Non-ad valorem
375 assessment rate increases within the personal income threshold

376 are deemed to be within the maximum rate authorized by law at
377 the time of initial imposition. Proposed non-ad valorem
378 assessment increases which exceed the rate set the previous
379 fiscal year or the rate previously set by special act or county
380 ordinance, whichever is more recent, by more than the average
381 annual growth rate in Florida personal income over the last 5
382 years must be approved by referendum of the electors of the
383 district. Non-ad valorem assessments shall be imposed,
384 collected, and enforced pursuant to section 7 9.

385 (3) USER CHARGES.—

386 (a) The board may provide a reasonable schedule of charges
387 for special emergency services, including fighting fires
388 occurring in or to structures outside the district, motor
389 vehicles, marine vessels, aircraft, or rail cars, or as a result
390 of the operation of such motor vehicles or marine vessels, to
391 which the district is called to render such emergency service,
392 and may charge a fee for the services rendered in accordance
393 with the schedule.

394 (b) The board may provide a reasonable schedule of charges
395 for fighting fires occurring in or at refuse dumps or as a
396 result of an illegal burn, which fire, dump, or burn is not
397 authorized by general or special law, rule, regulation, order,
398 or ordinance and which the district is called upon to fight or
399 extinguish.

400 (c) The board may provide a reasonable schedule of charges

401 for responding to, assisting with, or mitigating emergencies
 402 that either threaten or could threaten the health and safety of
 403 persons, property, or the environment, to which the district has
 404 been called, including a charge for responding to false alarms.

405 (d) The board may provide a reasonable schedule of charges
 406 for inspecting structures, plans, and equipment to determine
 407 compliance with fire safety ~~firesafety~~ codes and standards.

408 (e) The district shall have a lien upon any real property,
 409 motor vehicle, marine vessel, aircraft, or rail car for any
 410 charge assessed under this subsection.

411 (4) IMPACT FEES.—If the general-purpose local government
 412 has not adopted an impact fee for fire services which is
 413 distributed to the district for construction within its
 414 jurisdictional boundaries, the board may establish a schedule of
 415 impact fees for new construction to pay for the cost of new
 416 facilities and equipment, the need for which is in whole or in
 417 part the result of new construction. The impact fees collected
 418 by the district under this subsection shall be kept separate
 419 from other revenues of the district and must be used exclusively
 420 to acquire, purchase, or construct new facilities or portions
 421 thereof needed to provide fire protection and emergency services
 422 to new construction. As used in this subsection, "new
 423 facilities" means land, buildings, and capital equipment,
 424 including, but not limited to, fire and emergency vehicles,
 425 radio telemetry equipment, and other firefighting or rescue

426 equipment. The board shall maintain adequate records to ensure
427 that impact fees are expended only for permissible new
428 facilities or equipment. ~~The board may enter into agreements~~
429 ~~with general purpose local governments to share in the revenues~~
430 ~~from fire protection impact fees imposed by such governments.~~

431 Section 7 ~~9~~. Procedures for the levy and collection of
432 non-ad valorem assessments.—

433 (1) The district may provide for the levy of non-ad
434 valorem assessments under this act on the lands and real estate
435 benefited by the exercise of the powers authorized by this act,
436 or any part thereof, for all or any part of the cost thereof. In
437 addition to the provisions set forth under this act, the
438 district shall also be entitled to exercise all other rights and
439 powers regarding the levy and collection of additional non-ad
440 valorem assessments as provided for under chapter 191, Florida
441 Statutes.

442 (2) The rate of assessment shall be fixed by resolution of
443 the board of commissioners on or before June 1 of each year as
444 follows:

445 (a) Two ~~One~~ hundred fifteen ~~fifty~~ dollars and sixty-one
446 cents annually shall be assessed against commercial buildings
447 and commercial businesses. For the purpose of determining a
448 commercial business, it is the specific intent of this act to
449 tax individual businesses which are within a common building
450 which are separated by walls, partitions, or custom. The

451 purchase of a county occupational license shall be evidence of
 452 the existence of a business. Apartment buildings, motels,
 453 condominiums, mobile home parks, and other multiple family
 454 residences shall not be considered commercial buildings.

455 (b) Each residential dwelling unit, including mobile homes
 456 situated on any parcel of land within said district, shall pay
 457 \$107.80 ~~\$75~~ annually.

458 (c) Each vacant land up to 9.75 acres shall be assessed
 459 \$6.44 annually. Vacant land greater than 9.75 acres shall be
 460 assessed \$61.46 plus \$0.10 per acre annually.

461 (d) ~~(e)~~ The non-ad valorem assessment amounts as
 462 established under paragraphs (a), ~~and~~ (b), and (c) shall be
 463 subject to annual increases, as may be approved by the board of
 464 commissioners as provided for under section 6(2) ~~8(2)~~.

465 (3) The board of commissioners may adopt by resolution the
 466 current tax assessment and collection roll compiled and prepared
 467 by the tax assessor of Okaloosa County, and may adopt a
 468 resolution fixing the levy on each lot or parcel of land subject
 469 to taxation in the district, or may, at its discretion, prepare
 470 or cause to be prepared an assessment and collection roll
 471 setting forth a description of each lot or parcel of land
 472 subject to taxation in the district together with the amount of
 473 assessment fixed by resolution, and shall, before June 1 of each
 474 year, deliver the roll to the tax assessor for collection. All
 475 assessments shall be made against the land subject to such

476 assessments and the roll shall set forth the names of the
 477 respective owners of such lands.

478 (4) Any property owner in the district shall have the
 479 right to file a protest in writing between June 10 and 20 of
 480 each year against the proposed assessments and the amount or
 481 rate thereof, and to appear before the board in support of such
 482 protest at an opening meeting or meetings which shall be held to
 483 hear and consider such protests and make adjustments to the
 484 roll.

485 (5) Immediately after the adjustment period, the board of
 486 commissioners shall adopt a resolution fixing the rate of
 487 special assessment and shall note the amount of the levy against
 488 each parcel of property described in the tax roll and shall
 489 transmit the tax roll and a certified copy of the resolution to
 490 the county tax assessor on or before July 1 each year. It shall
 491 be the duty of the tax collector of Okaloosa County to include
 492 in the county tax roll the assessments made by the board of
 493 commissioners of the district and to collect such assessments
 494 according to the assessment roll and deliver the proceeds of
 495 such collection, less the statutory fee, monthly to the board of
 496 commissioners, taking the board's receipts for such funds. The
 497 tax collector shall, upon delivery of such funds to the board of
 498 commissioners, furnish the board with a description of the lands
 499 for which such payments are made.

500 (6) Such special assessments shall be a lien upon the land

501 so assessed along with county taxes until paid and, if the same
 502 become delinquent, shall be considered a part of the county tax,
 503 subject to the same penalties, charges, fees, and remedies for
 504 enforcement and collection and shall be enforced and collected
 505 as provided by law.

506 (7) Such special assessments shall be of equal benefit to
 507 all property with fire protection being provided by the Dorcas
 508 Fire District pursuant to the provisions of this act.

509 (8) The fiscal year for the district shall be from October
 510 1 to September 30 of each year.

511 Section 8 ~~10~~. District issuance of bonds, notes, bond
 512 anticipation notes, or other evidences of indebtedness.—

513 (1) The district may issue general obligation bonds,
 514 assessment bonds, revenue bonds, notes, bond anticipation notes,
 515 or other evidences of indebtedness to finance all or a part of
 516 any proposed improvements authorized to be undertaken under this
 517 act or under general or special law, provided the total annual
 518 payments for the principal and interest on such indebtedness
 519 shall not exceed 50 percent of the total annual budgeted
 520 revenues of the district. The bonds shall be issued in such
 521 denominations, mature on such dates and in such amounts, and may
 522 be subject to optional and mandatory redemption as determined by
 523 resolutions adopted by the board. Bonds of the district may bear
 524 interest at a fixed, floating, or adjustable rate and may be
 525 issued as interest bearing bonds, interest accruing bonds, or

526 zero coupon bonds at such rate or rates, not exceeding the
527 maximum rate permitted by general law, as determined by
528 resolution of the board. Principal and interest shall be payable
529 in the manner determined by the board. The bonds shall be signed
530 by manual or facsimile signature of the chair or vice chair of
531 the board, attested with the seal of the district and by the
532 manual or facsimile signature of the secretary or assistant
533 secretary of the board.

534 (2) The bonds shall be payable from the non-ad valorem
535 assessments or other non-ad valorem revenues, including, without
536 limitation, user fees or charges or rental income authorized to
537 be levied, collected, or received pursuant to this act or
538 general law. General obligation bonds payable from ad valorem
539 taxes may also be issued by the district, but only after
540 compliance with s. 12, Art. VII of the State Constitution.
541 Subject to referendum approval, a district may pledge its full
542 faith and credit for the payment of principal and interest on
543 such general obligation bonds and for any reserve funds provided
544 therefor and may unconditionally and irrevocably pledge itself
545 to levy ad valorem taxes on all property in the district to the
546 extent necessary for the payment thereof. The district is
547 authorized, after notice and opportunity to be heard has been
548 afforded to those affected, to impose, charge, and collect non-
549 ad valorem revenues in connection with any of the improvements
550 authorized under this act and to pledge the same for the payment

551 | of bonds.

552 | (3) In connection with the sale and issuance of bonds, the
 553 | district may enter into any contracts which the board determines
 554 | to be necessary or appropriate to achieve a desirable effective
 555 | interest rate in connection with the bonds by means of, but not
 556 | limited to, contracts commonly known as investment contracts,
 557 | funding agreements, interest rate swap agreements, currency swap
 558 | agreements, forward payment conversion agreements, futures, or
 559 | contracts providing for payments based on levels of or changes
 560 | in interest rates, or contracts to exchange cash flows or a
 561 | series of payments, or contracts, including, without limitation,
 562 | options, puts, or calls, to hedge payment, rate, spread, or
 563 | similar exposure. Such contracts or arrangements may also be
 564 | entered into by the district in connection with, or incidental
 565 | to, entering into any agreement which secures bonds or provides
 566 | liquidity therefor. Such contracts and arrangements shall be
 567 | made upon the terms and conditions established by the board,
 568 | after giving due consideration to the credit worthiness of the
 569 | counter parties, where applicable, including any rating by a
 570 | nationally recognized rating service or any other criteria as
 571 | may be appropriate.

572 | (4) In connection with the sale and issuance of the bonds,
 573 | or the entering into of any of the contracts or arrangements
 574 | referred to in subsection (3), the district may enter into such
 575 | credit enhancement or liquidity agreements, with such payment,

576 interest rate, security, default, remedy, and any other terms
 577 and conditions as the board shall determine.

578 (5) Notwithstanding any provision of law relating to the
 579 investment or reinvestment of surplus funds of any governmental
 580 unit, proceeds of the bonds and any money set aside or pledged
 581 to secure payment of the principal, or premium, if any, and
 582 interest on the bonds, or any of the contracts entered into
 583 pursuant to subsection (3), may be invested in securities or
 584 obligations described in the resolution providing for the
 585 issuance of bonds.

586 (6) The bonds shall be sold in any manner not inconsistent
 587 with general law, shall show the purpose for which they are
 588 issued, and shall be payable out of the money pledged therefor.
 589 The funds derived from the sale of said bonds or any contract or
 590 arrangement shall be used for the purpose of paying the cost of
 591 the services or improvements and such costs, expenses, fees, and
 592 salaries as may be authorized by law.

593 (7) Non-ad valorem assessments or any portion thereof
 594 levied to pay the principal on bonds issued pursuant to this act
 595 with respect to improvements financed therewith shall not exceed
 596 the benefits assessed regarding such works or improvements. If
 597 the bonds are sold at a discount, the amount of the discount
 598 shall be treated as interest, not as principal. Premiums payable
 599 upon the redemption of bonds shall also be treated as interest.
 600 Interest to accrue on account of issuing bonds shall not be

601 construed as a part of the costs of the works or improvements in
602 determining whether or not the costs of making such improvements
603 are equal to or in excess of the benefits assessed. If the
604 property appraiser and tax collector deduct their fees and
605 charges from the amount of non-ad valorem assessments levied and
606 collected, and if the landowners receive the statutorily
607 permitted discount for early payment of such non-ad valorem
608 assessments, the amount of such fees, charges, and discount
609 shall not be included in the amount of non-ad valorem
610 assessments levied by the district in determining whether such
611 assessments are equal to or in excess of the benefits assessed.

612 (8) The district may, whenever in the judgment of the
613 board it is advisable and in the best interests of the
614 landowners in the district, issue bonds to refund any or all of
615 the then-outstanding bonded indebtedness of the district.

616 (9) The principal amount of refunding bonds may be in any
617 amount not in excess of the benefits assessed against the lands
618 with respect to which the refunded bonds were issued less the
619 principal amount of the refunded bonds previously paid from non-
620 ad valorem assessments. The proceeds of such refunding bonds
621 shall be used only to pay the principal, premium, if any, and
622 interest on the bonds to be refunded and any discount or expense
623 of the sale of the refunding bonds and to provide a debt service
624 reserve fund for the refunding bonds. The district may also use
625 other available revenues to pay costs associated with the

626 issuance or administration of the refunding bonds.

627 (10) Assessments shall be levied for the payment of the
 628 refunding bonds in the same manner as the assessments levied for
 629 the refunded bonds and the refunding bonds shall be secured by
 630 the same lien as the refunded bonds, and any additional interest
 631 which accrues on account of the refunding bonds shall be
 632 included and added to the original assessment and shall be
 633 secured by the same lien, provided any interest accrued shall
 634 not be considered as a part of the cost of construction in
 635 determining whether the assessment exceeds the benefits
 636 assessed.

637 (11) No proceedings shall be required for the issuance of
 638 bonds or refunding bonds other than those provided by this
 639 section and by general law.

640 Section 9 ~~11~~. District expansion and merger.—

641 (1) The boundaries of the district may be modified,
 642 extended, or enlarged upon approval or ratification by the board
 643 ~~Legislature~~.

644 (2) The merger of the district with all or portions of
 645 other ~~independent or~~ dependent fire control districts is
 646 effective only upon ratification by the board ~~Legislature~~. The
 647 district may not, solely by reason of a merger with another
 648 governmental entity, increase ad valorem taxes on property
 649 within the original limits of the district beyond the maximum
 650 established by this act, unless approved by the electors of the

HB 897

2024

651 district by referendum.

652 Section 2. If any clause, section, or provision of this
653 act is declared unconstitutional or invalid for any reason, it
654 shall be eliminated from this act, and the remaining portion of
655 this act shall be in full force and effect and be as valid as if
656 such unconstitutional or invalid portion thereof had not been
657 incorporated in this act.

658 Section 3. This act shall take effect upon becoming a law.

HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

BILL #: HB 1117 City of North Port, Sarasota County
SPONSOR(S): Buchanan
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Local Administration, Federal Affairs & Special Districts Subcommittee	14 Y, 0 N	Darden	Darden
2) Ways & Means Committee		Rexford	Aldridge
3) State Affairs Committee			

SUMMARY ANALYSIS

Special districts are units of local government created for a particular purpose, with jurisdiction to operate within a limited geographic boundary. Special districts are created by general law, special act, local ordinance, or rule of the Governor and Cabinet. A special district has only those powers expressly provided by, or reasonably implied from, the authority provided in the district's charter.

The bill creates the Star Farms Village at North Port Stewardship District (District) in City of North Port, Sarasota County. The District's purpose is to install, operate, and maintain community infrastructure serving approximately 2,086 acres. The District is authorized to levy special assessments, fees, and non-ad valorem assessments. The District also is authorized to levy ad valorem taxes upon approval at referendum after the entire board is elected by qualified electors of the District.

The Economic Impact Statement projects revenues and expenditures by the District of \$150,000 and \$172,500 in the first two fiscal years after creation.

Pursuant to House Rule 5.5(b), a local bill providing an exemption from general law may not be placed on the Special Order Calendar for expedited consideration. The provisions of House Rule 5.5(b) appear to apply to this bill.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Special Districts

A “special district” is a unit of local government created for a particular purpose, with jurisdiction to operate within a limited geographic boundary.¹ Special districts are created by general law, special act, local ordinance, or rule of the Governor and Cabinet.² A special district has only those powers expressly provided by, or reasonably implied from, the authority provided in the district’s charter. Special districts provide specific municipal services in addition to, or in place of, those provided by a municipality or county.³ Special districts are funded through the imposition of ad valorem taxes, fees, or charges on the users of those services as authorized by law.⁴

Special districts may be classified as dependent or independent based on their relationship with local general-purpose governments. A special district is classified as “dependent” if the governing body of a single county or municipality:

- Serves as governing body of the district;
- Appoints the governing body of the district;
- May remove members of the district’s governing body at-will during their unexpired terms; or
- Approves or can veto the budget of the district.⁵

A district is classified as “independent” if it does not meet any of the above criteria or is located in more than one county, unless the district lies entirely within the boundaries of a single municipality.⁶

Formation and Charter of an Independent Special District

With the exception of community development districts (CDDs),⁷ the charter for any new independent special district must include the minimum elements required by ch. 189, F.S.⁸ Special laws or general laws of local application relating to any special district may not:

- Create a special district with a district charter that does not conform to the minimum requirements in s. 189.031(3), F.S.;⁹
- Exempt district elections from the requirements of s. 189.04, F.S.;¹⁰
- Exempt a district from the requirements for bond referenda in s. 189.042, F.S.;¹¹

¹ See *Halifax Hospital Medical Center v. State of Fla., et al.*, 278 So. 3d 545, 547 (Fla. 2019).

² See ss. 189.02(1), 189.031(3), and 190.005(1), F.S. See generally s. 189.012(6), F.S.

³ Local Administration, Federal Affairs & Special Districts Subcommittee, *The Local Government Formation Manual*, 62, available at <https://myfloridahouse.gov/Sections/Committees/committeesdetail.aspx?CommitteeId=3227> (last visited Jan. 18, 2024).

⁴ The method of financing a district must be stated in its charter. Ss. 189.02(4)(g) and 189.031(3), F.S. Independent special districts may be authorized to impose ad valorem taxes as well as non-ad valorem special assessments in the special acts comprising their charters. See, e.g., ch. 2023-335, s. 6 of s. 1, Laws of Fla. (East River Ranch Stewardship District). See also, e.g., ss. 190.021 (community development districts), 191.009 (independent fire control districts), 197.3631 (non-ad valorem assessments), 298.305 (water control districts), and 388.221, F.S. (mosquito control), and ch. 2004-397, s. 27 of s. 3, Laws of Fla. (South Broward Hospital District).

⁵ S. 189.012(2), F.S.

⁶ S. 189.012(3), F.S.

⁷ S. 189.0311, F.S. See s. 190.004, F.S. (providing that ch. 190, F.S., governs the functions and powers of independent CDDs).

⁸ S. 189.031(1) and (3), F.S.

⁹ S. 189.031(2)(a), F.S.

¹⁰ S. 189.031(2)(b), F.S.

¹¹ S. 189.031(2)(c), F.S.

- Exempt a district from certain requirements relating to¹² issuing bonds if no referendum is required,¹³ requiring special district reports on public facilities,¹⁴ notice and reports of special district public meetings,¹⁵ or required reports, budgets, and audits;¹⁶ or
- Create a district for which a statement documenting specific required matters is not submitted to the Legislature. The statement must include:
 - The purpose of the proposed district;
 - The authority of the proposed district;
 - An explanation of why the district is the best alternative; and
 - A resolution or official statement from the local general-government jurisdiction where the proposed district will be located stating the proposed district is consistent with approved local government plans and the local government does not object to creation of the district.¹⁷

The charter of a newly created district must state whether it is dependent or independent.¹⁸ Charters of independent special districts must address and include a list of required provisions, including the purpose of the district, its geographical boundaries, taxing authority, bond authority, and selection procedures for the members of its governing body.¹⁹

Special districts do not possess “home rule” powers and may impose only those taxes, assessments, or fees authorized by special or general law. The special act creating an independent special district may provide for funding from a variety of sources while prohibiting others. For example, ad valorem tax authority is not mandatory for a special district.²⁰

Election of Special District Boards

Members of a special district board are generally elected by the qualified electors of the district.²¹ Some district boards, however, are elected according to a one-acre/one-vote methodology.²²

Section 189.041, F.S., provides a process for transitioning a special district governing board elected on a one-acre/one-vote basis to election by the qualified electors of the district. A referendum may be called at any time once the district has at least 500 qualified electors.²³ A petition signed by 10 percent of the qualified electors must be filed with the governing body of the district requesting a referendum.²⁴ Upon verification of the petition, the governing board of the district must call for a referendum at the earlier of the next regularly scheduled election of governing body members occurring at least 30 days after the verification of the petition or within six months of verification.²⁵

If the qualified electors approve the transition, the size of the board is increased to five members and elections for the board are held at the earlier of the next regularly scheduled general election or a special election held within six months following the referendum approving transition and the finalization

¹² S. 189.031(2)(d), F.S.

¹³ S. 189.051, F.S.

¹⁴ S. 189.08, F.S.

¹⁵ S. 189.015, F.S.

¹⁶ S. 189.016, F.S.

¹⁷ S. 189.031(2)(e), F.S.

¹⁸ S. 189.031(5), F.S.

¹⁹ S. 189.031(3), F.S.

²⁰ Art. VII, s. 9(a), Fla. Const.

²¹ See e.g. ch. 2015-202, s. 4(4)(2)(a), Laws of Fla. (election provisions for Lehigh Acres Municipal Services Improvement District).

²² See s. 189.04(4), F.S. (providing an exception for special district governing board elected on a one-acre/one-vote basis); also see e.g. ch. 2007-306, s. 5, Laws of Fla. (election provisions for the Babcock Ranch Community Independent Special District).

²³ S. 189.041(2)(a)1.a., F.S.

²⁴ S. 189.041(2)(a)1.b., F.S.

²⁵ S. 189.041(2)(a)2., F.S.

of the district urban area map.²⁶ If the qualified electors do not approve the transition, a new referendum may not be held for at least two years.²⁷

Within 30 days after the transition referendum, the governing body of the district must direct the district’s staff to prepare and present maps describing all urban areas contained in the district.²⁸ For the purposes of this determination, an “urban area” is a contiguous, developed, and inhabited urban area within a district with a minimum density of at least:

- 1.5 persons per acre, as defined by the latest census or other official population count;
- 1 single-family home per 2.5 acres, with access to improved roads; or
- 1 single-family home per 5 acres within a recorded plat subdivision.²⁹

The maps describing the urban areas must be presented to the governing body of the district within 60 days after the referendum.³⁰ The determination of urban areas is made with the assistance of local general-purpose governments and district landowners or electors may contest the accuracy of the map.³¹ If a landowner or elector raises an objection to the map, the map is submitted to the county engineer for review.³² After all objections to the map have been addressed, the governing body of the district must adopt either its initial map or the map as amended by the county engineer as the official map at a regular scheduled meeting of the governing body held within 60 days of the presentation of all such maps.³³ A landowner or elector may contest the accuracy of the map by filing a petition in circuit court within 30 days.³⁴

After the adoption of the official map or a certification by the circuit court, the district urban area map must determine the extent of urban area within the district and the composition of the board.³⁵ The maps must be readopted every five years, but may be readopted sooner at the discretion of the governing body of the district.³⁶

The composition of the board is determined by the percentage of the district that is an urban area, as follows:³⁷

Urban Area as Percentage of District	Number of Board Members Elected by Landowners	Number of Board Members Elected by Qualified Electors
Less than 25%	4	1
26%-50%	3	2
51%-70%	2	3
70%-90%	1	4
More than 91%	0	5

Governing board members elected by qualified electors serve four-year terms, except for those elected at the first election and the first landowners meeting following the referendum, who serve the following terms:³⁸

²⁶ S. 189.041(2)(a)3., F.S.
²⁷ S. 189.041(2)(a)4., F.S.
²⁸ S. 189.041(2)(b)1. F.S.
²⁹ S. 189.041(1)(b), F.S.
³⁰ S. 189.041(2)(b)2., F.S.
³¹ S. 189.041(1)(b) and (2)(b)3., F.S.
³² S. 189.041(2)(b)3., F.S.
³³ S. 189.041(2)(b)4., F.S.
³⁴ S. 189.041(2)(b)5., F.S.
³⁵ S. 189.041(2)(b)6., F.S.
³⁶ S. 189.041(2)(b)8., F.S.
³⁷ S. 189.041(3)(a), F.S.
³⁸ S. 189.041(3)(b), F.S.

Urban Area as Percentage of District	Terms of Board Members Elected by Landowners	Terms of Board Members Elected by Qualified Electors
Less than 25%	1 member serving each a 1-, 2-, 3-, and 4-year term	1 member serving a 4-year term
26%-50%	1 member serving each a 1-, 2-, and 3-year term	2 members serving a 4-year term
51%-70%	1 member serving each a 1- and 2-year term	2 members serving a 4-year term, 1 member serving a 2-year term
70%-90%	1 member serving a 1-year term	2 members serving a 4-year term, 2 members serving a 2-year term
More than 91%	n/a	3 members serving a 4-year term, 2 members serving a 2-year term

Annual landowners meetings continue as long as at least one member of the board is elected on a one-acre/one-vote basis.³⁹ There is no requirement for a majority of the acreage of the district to be represented by either an owner or an owner’s proxy at the landowners meeting.⁴⁰ Landowner meetings must be held in the month preceding the month of the election of governing body members by electors.⁴¹

Community Development Districts

Chapter 190, F.S., the “Uniform Community Development District Act of 1980,”⁴² sets forth the exclusive and uniform procedures for establishing and operating a CDD.⁴³ This type of independent special district is an alternative method to manage and finance basic services for community development.⁴⁴ As of January 20, 2024, there are currently 961 active CDDs in Florida.⁴⁵

A CDD must act within the constraints of applicable comprehensive plans, ordinances, and regulations of the local general purpose government.⁴⁶ CDDs have certain general powers, including the authority to assess and impose ad valorem taxes upon lands in the CDD, sue and be sued, participate in the state retirement system, contract for services, borrow money, accept gifts, adopt rules and orders pursuant to the Administrative Procedure Act,⁴⁷ maintain an office, lease property, issue bonds, raise money by user charges or fees, and levy and enforce special assessments.⁴⁸

CDDs may also exercise additional special powers to provide, construct, and maintain public improvements and facilities, such as systems for water management, water supply, sewer, and wastewater management, as well as roads, bridges, culverts, street lights, buses, trolleys, transit shelters, ridesharing facilities and services, parking improvements, signage, environmental

³⁹ S. 189.041(3)(c)1., F.S.

⁴⁰ S. 189.041(3)(c)2., F.S.

⁴¹ S. 189.041(3)(c)3., F.S.

⁴² S. 190.001, F.S.

⁴³ Ss. 190.004 and 190.005, F.S.

⁴⁴ S. 190.003(6), F.S.

⁴⁵ Dept. of Commerce, *Official List of Special Districts Online*, <http://www.floridajobs.org/community-planning-and-development/special-districts/special-district-accountability-program/official-list-of-special-districts> (last visited Jan. 20, 2024).

⁴⁶ S. 190.004(3), F.S.

⁴⁷ Ch. 120, F.S.

⁴⁸ S. 190.011, F.S.

contamination, conservation areas, mitigation areas, and wildlife habitat.⁴⁹ With the consent of the applicable local general-purpose government with jurisdiction over the affected area, a CDD may plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate, and maintain additional systems and facilities for parks and recreational areas, fire prevention and control, school buildings and related structures, security, control and elimination of mosquitoes and other arthropods of public health importance, and waste collection and disposal.⁵⁰

The method for establishing a CDD depends upon its size. CDDs of more than 2,500 acres are established by petitioning the Florida Land and Water Adjudicatory Commission (FLWAC)⁵¹ to adopt an administrative rule creating the district, while CDDs of less than 2,500 acres are established by ordinance of the county having jurisdiction over the majority of land in the area in which the CDD is to be located.⁵²

Effect of Proposed Changes

The bill creates the Star Farms Village at North Port Stewardship District (District), an independent special district in Sarasota County, and provides a charter for the District. The District's purpose is to install, operate, and maintain community infrastructure in the City of North Port, Sarasota County.

Legislative Findings, Legislative Intent and Policy (Section 2)

The bill provides legislative findings and intent, providing that the District will facilitate a comprehensive community development approach that integrates regional transportation, land use, and urban design elements to provide for a mix of housing, employment, and economic development opportunities.

The bill states that a CDD created under ch. 190, F.S., would not serve the public interest due to the size of the proposed District, that the creation of multiple CDDs would result in inefficient and duplicative layers of local special-purpose government, and a separate independent special district is better able to integrate the management of state resources and allow for coordinated stewardship of natural resources.

The bill states that the District does not have the power to engage in comprehensive planning, zoning, or development permitting and that the creation of the District is consistent with the City of North Port Comprehensive Plan. The intent and purpose of the District is that no debt or obligation be placed on City of North Port.

The bill requires the District to receive approval by resolution or official statement from the City of North Port before requesting any amendment to its charter, in a similar manner as is required for the creation of a special district pursuant to s. 189.031(2)(e)4., F.S.

Charter Requirements, Creation, Establishment, Jurisdiction, and Charter (Section 3)

The bill provides a list of sections of the bill that fulfill the requirements for the creation of a special district under s. 189.031(3), F.S.

The bill states the District is a "public body corporate and politic," an independent special district, and any additional power granted to a CDD under ch. 190, F.S., after January 1, 2024, also constitutes a power of the District to the extent such changes are not inconsistent with the provisions of the bill. The

⁴⁹ S. 190.012(1), F.S. The rule or ordinance establishing the CDD may restrict the special powers authorized in this subsection. S. 190.005(1)(f) and (2)(d), F.S.

⁵⁰ S. 190.012(2), F.S.

⁵¹ Created by s. 380.07, F.S., the FLWAC is comprised of the Administration Commission, which in turn is created by s. 14.202, F.S., and is composed of the Governor and Cabinet. This distinction affects the requirements for an affirmative vote by the FLWAC. Unless otherwise provided in law, the statutory voting requirements for the Administration Commission apply and affirmation by the FLWAC requires approval by the Governor and at least two Cabinet members.

⁵² S. 190.005(1) and (2), F.S.

bill provides that the District may not exercise such additional power without entering into an interlocal agreement with City of North Port consenting to the exercise of the power. The bill provides that the District may exercise its power within the boundaries of the District, or extraterritorially with the consent of City of North Port, as evidenced by an interlocal agreement or a development order.

District Boundaries (Section 4)

The bill provides the legal description of the boundaries of the District.

Membership, Powers, and Duties of the Board of Supervisors (Section 5)

The bill provides for a five-member board (Board), with each member serving a four-year term. Members of the Board must be both Florida residents and United States citizens.

A meeting of the landowners of the District must be held within 90 days after the effective date of the act. Notice of the meeting must be provided once a week for two consecutive weeks in a newspaper of general circulation in the area of the District. The landowners present at the meeting must elect a chair from among attendees to conduct the meeting. The chair may nominate candidates and make motions if that person is a landowner or holds the proxy of a landowner. The landowners present constitute a quorum, even if they represent less than 50 percent of the total acreage of the District, and such landowners may elect members of the governing board. The three candidates for the Board receiving the first, second, and third highest number of votes are elected to terms expiring November 28, 2028, while the two candidates receiving the fourth and fifth highest number of votes are elected to terms expiring November 24, 2026.

Each landowner is entitled to one vote for each acre owned. Any fractional acre is treated as one acre for the purposes of the landowner vote. Landowners who are unable to attend may cast their votes by proxy. Subsequent landowners' elections must be announced at a public meeting at least 90 days before the landowners meeting and noticed in the same manner as the initial landowners meeting. Subsequent elections to the Board occur on the first Tuesday after the first Monday of November every two years.

The bill provides for a transition of the Board from being elected by landowners to the qualified electors residing in the District on the following schedule:

Number of Qualified Electors	Number of Board Members Elected by Landowners	Number of Board Members Elected by Qualified Electors
0-1,299	5	0
1,300-2,499	4	1
2,500-3,699	3	2
3,700-4,899	2	3
4,900-6,099	1	4
6,100 or more	0	5

The transition to a Board seat elected by the qualified electors of the District does not require an election to occur prior to the expiration of the existing Board member's term.

On or before June 1 of each election year, the Board must determine the number of qualified electors in the District as of April 15 of that year. The Board must consult the records of the Sarasota County Supervisor of Elections, Property Appraiser, and Tax Collector when making this determination.

Members of the Board elected by qualified electors are selected at-large in non-partisan elections and must be qualified electors of the District. In addition, Board members must abide by the Florida Election Code.

The bill provides that the Governor may remove a Board member for malfeasance, misfeasance, dishonesty, incompetency, or failure to perform the duties imposed upon him or her by the act. In the event of a vacancy, the remaining members of the Board may appointment someone to serve the remainder of the unexpired term, unless the vacancy was created by the Governor removing the Board member, in which case the Governor makes an appointment to fill the vacancy.

The Board is required to elect a chair and a secretary, as well as other officers the Board deems necessary. The secretary does not have to be a member of the Board.

The Board must keep a record of its proceedings containing all meeting, resolutions, bonds, and any corporate acts. The record book and other District records must be open to inspection by the public as required by ch. 119, F.S.

Board members may receive compensation up to the amount authorized for the supervisors of a CDD and are entitled to travel and per diem expenses as provided in s. 112.061, F.S.⁵³ In addition, Board members must meet ethics and conflict of interest provisions under general law for local public officials.⁵⁴

The bill prohibits the District from levying ad valorem taxes until all members of the Board are elected by and are qualified electors of the District.⁵⁵

General Duties of the Board (Section 6)

District Manager and Treasurer

The Board is required to employ a district manager to oversee any improvements or facilities constructed by the District. The bill specifies that employing a Board member, district manager, or other employee of a landowner as the district manager for the District does not constitute a conflict of interest under ch. 112, F.S. The district manager is permitted to hire additional employees as necessary and authorized by the Board.

The Board is also required to hire a treasurer, who must be a resident of the state. The treasurer manages the finances of the District and may be granted other powers as the Board finds appropriate. The Board sets the compensation of the treasurer and may require the treasurer to post a surety bond. The bill requires the financial records of the Board be audited by an independent certified public accountant in accordance with general law requirements.⁵⁶ The Board, in conjunction with the treasurer, must select a qualified public depository for the funds of the District.

Budget and Reporting

The district manager is required to prepare a proposed budget on or before July 15 of each year for consideration by the Board. The budget must contain all expenditures of the District and estimates of projected revenues. The Board may make amendments to the proposed budget before approval. The Board is required to provide adequate notice of the budget hearing. The Board must adopt a final budget before October 1, the beginning of its fiscal year, and the Board must submit a copy of its

⁵³ S. 190.006(8), F.S., provides that supervisors of a CDD may receive compensation of no greater than \$200 per meeting and no more than \$4,800 per year, unless a higher amount is approved by electors in a referendum.

⁵⁴ See Ch. 112, Part III, F.S. (code of ethics for public officers and employees).

⁵⁵ The Board must receive voter approval before levying ad valorem taxes. See art. VII, s. 9, Fla. Const. (special districts may levy ad valorem taxes at a "millage authorized by law approved by vote of the electors.")

⁵⁶ As an independent special district, the District must maintain a public website on which it must post its annual budget and any amendments, all required financial reports and audits of the District's finances, and a link to the Department of Financial Services' website. Ss 189.016 and 189.069, F.S. The District must file a separate annual financial statement with the Department of Financial Services, under s. 218.32, F.S., and periodic audited financial statements with the Florida Auditor General, under s. 218.39, F.S.

budget to the City Commission for the City of North Port for informational purposes at least 60 days prior to its adoption.

The Board must provide City of North Port with a copy of the District's public facilities report as required by s. 189.08, F.S.

The District must provide full disclosure of its public financing and maintenance of improvements to real property to all existing and prospective residents of the District. The District must provide each developer of a residential development within the District with sufficient copies of the information to provide to each prospective purchaser. The District must also file the disclosure documents in the property records of the county.

The bill provides that the District must maintain an official website by the end of its first full fiscal year, as required by s. 189.069, F.S.

General Powers

The bill grants the District the following general powers to:

- Conduct business on behalf of the District, including suing or being sued, adopting a seal, and acquiring and disposing of property;
- Apply for Florida Retirement System coverage for its employees;
- Contract for professional services;
- Conduct financial transactions for District purposes;
- Adopt and enforce rules;
- Maintain an office;
- Hold, control, purchase, or dispose of public easements;
- Lease as lessor or lessee any type of project the District is authorized to undertake;
- Borrow money and issue bonds as authorized in the act and to levy taxes and assessments;
- Charge user fees as necessary to conduct District activities;
- Exercise eminent domain;⁵⁷
- Cooperate with other government entities;
- Assess and impose ad valorem taxes, as provided in the act;
- Levy and impose maintenance taxes, if authorized by general law;
- Levy and impose special assessments;
- Exercise special powers; and
- Exercise powers necessary and proper for fulfilling the special and limited purpose of the District as authorized by this act.

Special Powers

The bill also grants the District special powers to implement its lawful and special purpose and to provide the following systems and infrastructure for those special and limited purposes:

- Water management and control, including irrigation systems and facilities, for the lands within the District and to connect some or any of such facilities with roads and bridges;
- Water supply, sewer, wastewater, and reclaimed water management, reclamation, and reuse;
- Bridges, culverts, wildlife corridors, or road crossings that may be needed across any drain, ditch, canal, floodway, holding basin, or other body of water;
- District roads equal to or exceeding specifications of the county in which the roads are located, and street lighting;

⁵⁷ The Board may exercise eminent domain within the boundaries of the District without additional approval. The Board may only exercise eminent domain outside the boundaries of the District with approval from a general-purpose local government (the municipality, for lands in an incorporated area; the county, for lands in unincorporated areas).

- Buses, trolleys, rail access, mass transit facilities, transit shelters, ridesharing facilities and services, parking improvements, and related signage;
- Investigation and remediation costs associated with the cleanup of actual or perceived environmental contamination within the District;
- Observation, mitigation, wetland creation, and wildlife habitat areas;
- Parks and facilities for indoor and outdoor recreational, cultural, and educational uses;
- School buildings and related structures, which may be leased, sold, or donated to the school district;
- Security;⁵⁸
- Control and elimination of mosquitoes and other arthropods of public health importance;
- Enter into impact fee, mobility fee, or other similar credit agreements with the City of North Port, other governmental bodies, or a landowner developer and to see or assign such credits on terms the District deems appropriate;
- Buildings and structures for District offices, maintenance facilities, meeting facilities, town centers, stadiums, or other authorized projects;
- Governmental departments of the Board, which must be established and created at noticed meetings;
- Sustainable or green infrastructure improvements, facilities, and services;⁵⁹
- Any facilities or improvements that may otherwise be provided by a county or municipality, including, but not limited to, libraries, annexes, substations, and other buildings to house public officials, staff, and employees;
- Waste collection and disposal;
- Construction and operation of communications systems and related infrastructure;⁶⁰
- Health care facilities, including the ability to enter public-private partnerships and agreements as necessary to accomplish this task;
- Coordinating, working with, or entering into interlocal agreements with any public or private entity for provision of an institution or institutions of higher education; and
- Any other project within or without the boundaries of the District when the project is subject to an agreement between the District and the City Commission of the city of North Port or with any other applicable public or private entity, and is not inconsistent with effective local comprehensive plans or the general or special powers contained in the bill.

The bill also grants the District the power to enter into interlocal agreements with any public or private entity for the provision of an institution or institutions of higher education and to enter public-private partnerships and agreement as may necessary to effectuate the purposes of the act.

Financing and Bonds

The Board has the power to issue bond anticipation notes that will bear interest not to exceed the maximum rate allowed by law and that will mature no later than five years from issuance. The Board may also obtain loans and issue negotiable notes, warrants, or other evidence of debt, payable at such times and bearing such interest as the Board determines, but not to exceed the maximum rate allowed by general law and to be sold or discounted at such price or prices not less than 95 percent of par value. Bonds may be sold in blocks or installment at different times, at public or private sale after advertisement, at not less than 90 percent of the par value, together with accrued interest. The Board also has the authority to issue refunding bonds, revenue bonds, and general obligation bonds.⁶¹

⁵⁸ The District may contract with the appropriate local general-purpose government agencies for an increased level of services within the District boundaries. The district may also contract with a towing operator to remove a vehicle or vessel from a district-owned facility or property as long as the District has followed the authorization, notice, and procedural requirements of s. 715.07, F.S.

⁵⁹ The bill provides that this provision does not authorize the District to provide electric services or otherwise impair electric utility franchise agreements.

⁶⁰ The bill provides that this provision does not authorize the District to provide communication services to retail customers or otherwise impair existing service provider franchise agreement.

⁶¹ The charter specifies that a default on a bond or obligation of the District does not constitute a debt or obligation on behalf of the state or any general-purpose local government.

The bill authorizes the Board to levy ad valorem taxes on all taxable property in the District, but only after the Board is elected by and consists of qualified electors of the District and the levy has been approved at a referendum as required by Art. VII, s. 9 of the Florida Constitution. This levy may not exceed 3 mills.

The Board annually must determine, order, and levy the annual installment of the total benefit special assessments for bonds issued and related expenses to finance assessable improvements. These assessments are collected annually in the same manner as county taxes. The Board may determine a formula for the determination of an amount, which when paid by a taxpayer with respect to any tax parcel, constitutes a prepayment of all future annual installments of the benefit special assessment.

The Board is authorized to levy a non-ad valorem maintenance tax, if such tax is ever authorized by general law, to maintain and preserve physical facilities and services in the District and to defray current expenses. Upon the completion of the facilities and services, the District would be able to levy annually a non-ad valorem and non-millage tax upon each tract or parcel of land within the District, based on the net assessment of benefits accruing from the original construction of the improvements. This tax would be paid and enforceable in the same manner as county ad valorem taxes.

The Board may levy a maintenance special assessment to preserve the facilities and projects of the District. The amount of the assessment is determined by the Board upon a report of the District's engineer and assessed by the Board upon the land within the District benefited by the maintenance, or apportioned between the benefited lands in proportion to the benefits received by each tract of land. The assessment is a lien on the assessed property until paid and enforceable in the same manner as county taxes. However, this does not prohibit the District from using the method prescribed in ss. 197.363, 197.3631, or 197.3632, F.S., for enforcing and collecting these assessments.

The District may establish and collect rates, fees, rentals, or other charges, referred to as "revenues," for the system and facilities furnished by the District such as recreational facilities; water management and control facilities; and water, sewer, and reuse systems. The District must hold a public hearing concerning the proposed rates, fees, rentals, or other charges, which may not apply to District leases, prior to adoption under the administrative rulemaking authority of the District.

Any rates, fees, rentals, charges, or delinquent penalties not paid within 60 days, will be in default and the unpaid balance together with reasonable attorney fees and costs may be recovered by the District in a civil action. In the event fees, rentals, or other charges for water and sewer, or either of them, are not paid when due, the District may, under rules and regulations of the Board, discontinue and shut off both water and sewer services until such fees, rentals, or other charges, including interest, penalties, and charges for the shutting off and restoration of service are fully paid.

Enforcement of Taxes and Assessments

The collection and enforcement of all taxes levied by the District operates in the same manner as county taxes, and the provisions of general law relating to the sale of lands for unpaid and delinquent county taxes pertain to the collection of such taxes. Benefit special assessments, maintenance special assessments, and special assessments are non-ad valorem assessments as defined by s. 197.3632, F.S. Maintenance taxes are non-ad valorem taxes and not special assessments.

Any property of a governmental entity subject to a ground lease as described in s. 190.003(13), F.S., is not subject to lien or encumbrance on the underlying fee interest for a levy of ad valorem taxes or non-ad valorem assessments under this bill.

Competitive Bidding and Public Notice Regarding District Purchases

Any contract for goods, supplies, or materials that exceeds \$195,000⁶² is subject to competitive bidding through a notice of bids published once in a newspaper of general circulation in the City of North Port. In addition, if the Board seeks to construct or improve a public building, structure, or other public works, it must comply with the bidding procedures in s. 255.20, F.S., and any other applicable general law. The Board must accept the bid of the lowest responsive and responsible bidder unless all bids have been rejected. The provisions of the Consultants Competitive Negotiation Act⁶³ apply to contracts for engineering, architecture, landscape architecture, or registered surveying and mapping services.

Contracts for maintenance services that exceed \$195,000⁶⁴ are subject to competitive bidding. Any contracts for other services are not subject to competitive bidding unless the District adopts a rule, policy, or procedure to apply competitive bidding procedures to those contracts. The Board may require bidders to supply a bond.

Waiver of Sovereign Immunity

Any suits against the District for damages arising out of tort are subject to the limitations provided in s. 768.28, F.S.

Termination, Contraction, or Expansion of the District

The bill requires the Board to obtain a resolution or official statement of support from the City of North Port before asking the Legislature to expand or contract the District. The bill states the District exists until dissolved by the Legislature or declared inactive by the Department of Commerce.⁶⁵

Notice to Purchasers of Property

After creation of the District, each contract for initial sale of a residential unit within the District must include a disclosure statement informing the purchaser of the existence of the District and that the purchaser will be liable for taxes, assessments, and fees imposed by the District.

Public Access

Any facility, service, works, improvement, project, or other infrastructure owned by the District, or funded by federal tax-exempt bonding issued by the District, is public. The District may establish rules regulating the use of the property and imposing reasonable charges or fees for such use.

Merger with Community Development Districts

The bill provides that the District may merge with one or more CDDs situated wholly within its boundaries. Any CDD within the boundaries of the District may initiate the merger process by filing a written request for merger with the District and the City of North Port.

The District, with Board approval, may enter into a merger agreement with the CDD to provide for the allocation and retirement of debt, transition of the CDD board, and the transfer of all financial obligations and operating and maintenance responsibilities to the District. The bill provides that execution of the merger agreement between the District and the CDD constitutes consent by the landowners within each district.

The District and each CDD requesting merger are required to hold a public hearing within their respective boundaries to provide information and take public comment. The hearing must be held within 45 days after the execution of the merger agreement and must be noticed in a newspaper of

⁶² See s. 287.017(1)(d), F.S. (creating purchasing categories for procurement of personal property and services).

⁶³ S. 287.055, F.S.

⁶⁴ *Id.*

⁶⁵ See s. 189.062, F.S.

general circulation in City of North Port at least 14 days before the hearing. At the conclusion of the hearing, the respective districts are required to adopt a resolution approving or disapproving the merger. If the merger is approved, the resolutions and merger agreement must be filed with City of North Port. Upon receipt of the resolutions and merger agreement, City of North Port must adopt an ordinance dissolving each CDD pursuant to s. 190.046(10), F.S.

Economic Impact

The Economic Impact Statement projects revenues and expenditures by the District of \$150,000 and \$172,500 in the first two fiscal years after creation.

B. SECTION DIRECTORY:

- Section 1: Provides the bill may be cited as the “Star Farms Village at North Port Stewardship District Act.”
- Section 2: Provides legislative findings and intent, definitions.
- Section 3: Provides for the creation and establishment of the District, jurisdiction, construction.
- Section 4: Provides district boundaries.
- Section 5: Provides for governing body for the district.
- Section 6: Provides power and duties of the governing body of the district.
- Section 7: Provides for severability of the act.
- Section 8: Provides that the bill takes effect upon becoming a law, except that the provisions authorizing the levy of ad valorem taxation take effect only upon approval by a majority vote of qualified voters in a referendum held after such time when all members of the Board are qualified electors of the District.

II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? November 1, 2023

WHERE? The *Herald-Tribune*, a daily newspaper of general circulation in Sarasota County.

B. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN? A referendum must be held when all members of the Board are qualified electors, elected by qualified electors, if the Board seeks to levy ad valorem taxes.

C. LOCAL BILL CERTIFICATION FILED? Yes No

D. ECONOMIC IMPACT STATEMENT FILED? Yes No

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

The bill requires rules and orders adopted by the District pertaining to the powers, duties, and functions of the officers of the District; the conduct of the business of the District; the maintenance of records; the form of certificates evidencing tax liens and all other documents and records of the District; and the operation of guardhouses by the District or any other unit of local government to serve security purposes, be adopted and enforced pursuant to ch. 120, F.S., the Administrative Procedure Act.

C. DRAFTING ISSUES OR OTHER COMMENTS:

Exceptions to General Law

Sections 5(2) and 5(3) of the charter for the District created by Section 1 of the bill provide for the composition of the Board, including the process for transitioning from a Board elected on a one-acre/one-vote basis to an election by the qualified electors of the District. The transition process provided by the bill is in lieu of the process provided in s. 189.041, F.S.

Pursuant to House Rule 5.5(b), a local bill providing an exemption from general law may not be placed on the Special Order Calendar for expedited consideration. The provisions of House Rule 5.5(b) appear to apply to this bill.

Powers of Community Development Districts

Although the District is created pursuant to ch. 189, F.S., the bill proposes to give the District future powers that may be included in ch. 190, F.S., relating to CDDs, as follows:

Any amendments to chapter 190, Florida Statutes, after January 1, 2023, granting additional general powers, special powers, authorities, or projects to a community development district by amendment to its uniform charter contained in ss. 190.006-190.041, Florida Statutes, which are not inconsistent with this act, shall constitute a general power, special power, authority, or function of the Three Rivers Stewardship District; provided, however, that the exercise of any such additional powers shall be subject to the requirement that the district execute or amend an interlocal agreement with Sarasota County consenting to the exercise of any such additional powers as provided in this act.

Therefore, if the Legislature amends ch. 190, F.S., to grant CDDs additional authority at any time in the future, the bill provides that such additional authority will be granted to the District without further Legislative review or enactment.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

1 A bill to be entitled

2 An act relating to the City of North Port, Sarasota
3 County; creating the Star Farms Village at North Port
4 Stewardship District; providing a short title;
5 providing legislative findings and intent; providing
6 definitions; stating legislative policy regarding
7 creation of the district; establishing compliance with
8 minimum requirements for creation of an independent
9 special district; providing for creation and
10 establishment of the district; establishing the legal
11 boundaries of the district; providing for the
12 jurisdiction and charter of the district; providing
13 for a board of supervisors; providing for election,
14 membership, terms, meetings, and duties of board
15 members; providing a method for transition of the
16 board from landowner control to control by the
17 resident electors of the district; providing for a
18 district manager and district personnel; providing for
19 a district treasurer, selection of a public
20 depository, and district budgets and financial
21 reports; providing the general and special powers of
22 the district; providing for bonds; providing for
23 borrowing; providing for future ad valorem taxation;
24 providing for special assessments; providing for
25 issuance of certificates of indebtedness; providing

26 | for tax liens; providing for competitive procurement;
 27 | providing for fees and charges; providing for
 28 | termination, contraction, expansion, or merger of the
 29 | district; providing for required notices to purchasers
 30 | of residential units within the district; specifying
 31 | district public property; providing severability;
 32 | providing for a referendum; providing an effective
 33 | date.

34 |

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

36 |

37 | Section 1. This act may be cited as the "Star Farms
 38 | Village at North Port Stewardship District Act."

39 | Section 2. Legislative findings and intent; definitions;
 40 | policy.-

41 | (1) LEGISLATIVE INTENT AND PURPOSE OF THE DISTRICT.-

42 | (a) The extensive lands located wholly within the City of
 43 | North Port and covered by this act contain many opportunities
 44 | for thoughtful, comprehensive, responsible, and consistent
 45 | development over a long period.

46 | (b) There is a need to use a single special and limited
 47 | purpose independent special district unit of local government
 48 | for the Star Farms Village at North Port Stewardship District
 49 | lands located within the City of North Port and covered by this
 50 | act to provide for a more comprehensive community development

51 approach, which will facilitate an integral relationship between
52 regional transportation, land use, and urban design to provide
53 for a diverse mix of housing and regional employment and
54 economic development opportunities, rather than fragmented
55 development with underutilized infrastructure generally
56 associated with urban sprawl.

57 (c) There is a considerably long period of time during
58 which there is a significant burden on the initial landowners of
59 the district lands to provide various systems, facilities, and
60 services, such that there is a need for flexible management,
61 sequencing, timing, and financing of the various systems,
62 facilities, and services to be provided to these lands, taking
63 into consideration absorption rates, commercial viability, and
64 related factors.

65 (d) While chapter 190, Florida Statutes, provides an
66 opportunity for previous community development services and
67 facilities to be provided by the continued use of community
68 development districts in a manner that furthers the public
69 interest, given the size of the Star Farms Village at North Port
70 Stewardship District lands and the duration of development,
71 continuing to utilize multiple community development districts
72 over these lands would result in an inefficient, duplicative,
73 and needless proliferation of local special purpose governments,
74 contrary to the public interest and the Legislature's findings
75 in chapter 190, Florida Statutes. Instead, it is in the public

76 | interest that the long-range provision for, and management,
 77 | financing, and long-term maintenance, upkeep, and operation of,
 78 | services and facilities to be provided for ultimate development
 79 | and conservation of the lands covered by this act be under one
 80 | coordinated entity. The creation of a single district will
 81 | assist in integrating the management of state resources and
 82 | allow for greater and more coordinated stewardship of natural
 83 | resources.

84 | (e) Longer involvement of the initial landowner with
 85 | regard to the provision of systems, facilities, and services for
 86 | the Star Farms Village at North Port Stewardship District lands,
 87 | coupled with the special and limited purpose of the district, is
 88 | in the public interest.

89 | (f) The existence and use of such a special and limited
 90 | purpose local government for the Star Farms Village at North
 91 | Port Stewardship District lands, subject to the City of North
 92 | Port comprehensive plan, will provide for a comprehensive and
 93 | complete community development approach to promote a sustainable
 94 | and efficient land use pattern for the Star Farms Village at
 95 | North Port Stewardship District lands with long-term planning
 96 | for conservation and development; provide opportunities for the
 97 | mitigation of impacts and development of infrastructure in an
 98 | orderly and timely manner; prevent the overburdening of the
 99 | local general purpose government and the taxpayers; and provide
 100 | an enhanced tax base and regional employment and economic

101 development opportunities.

102 (g) The creation and establishment of the special district
 103 will encourage local government financial self-sufficiency in
 104 providing public facilities and in identifying and implementing
 105 physically sound, innovative, and cost-effective techniques to
 106 provide and finance public facilities while encouraging
 107 development, use, and coordination of capital improvement plans
 108 by all levels of government, in accordance with the goals of
 109 chapter 187, Florida Statutes.

110 (h) The creation and establishment of the special district
 111 is a legitimate supplemental and alternative method available to
 112 manage, own, operate, construct, and finance capital
 113 infrastructure systems, facilities, and services.

114 (i) In order to be responsive to the critical timing
 115 required through the exercise of its special management
 116 functions, an independent special district requires financing of
 117 those functions, including bondable lienable and nonlienable
 118 revenue, with full and continuing public disclosure and
 119 accountability, funded by landowners, both present and future,
 120 and funded also by users of the systems, facilities, and
 121 services provided to the land area by the special district,
 122 without unduly burdening the taxpayers, citizens, and ratepayers
 123 of the state or the City of North Port.

124 (j) The special district created and established by this
 125 act shall not have or exercise any comprehensive planning,

126 zoning, or development permitting power; the establishment of
 127 the special district shall not be considered a development order
 128 within the meaning of chapter 380, Florida Statutes; and all
 129 applicable planning and permitting laws, rules, regulations, and
 130 policies of the City of North Port control the development of
 131 the land to be serviced by the special district.

132 (k) The creation by this act of the Star Farms Village at
 133 North Port Stewardship District is not inconsistent with the
 134 City of North Port comprehensive plan.

135 (l) It is the legislative intent and purpose that no debt
 136 or obligation of the special district constitute a burden on the
 137 City of North Port.

138 (2) DEFINITIONS.—As used in this act:

139 (a) "Ad valorem bonds" means bonds that are payable from
 140 the proceeds of ad valorem taxes levied on real and tangible
 141 personal property and that are generally referred to as general
 142 obligation bonds.

143 (b) "Assessable improvements" means, without limitation,
 144 any and all public improvements and community facilities that
 145 the district is empowered to provide in accordance with this act
 146 that provide a special benefit to property within the district.

147 (c) "Assessment bonds" means special obligations of the
 148 district which are payable solely from proceeds of the special
 149 assessments or benefit special assessments levied for assessable
 150 improvements, provided that, in lieu of issuing assessment bonds

HB 1117

2024

151 to fund the costs of assessable improvements, the district may
152 issue revenue bonds for such purposes payable from assessments.

153 (d) "Assessments" means those nonmillage district
154 assessments which include special assessments, benefit special
155 assessments, and maintenance special assessments and a
156 nonmillage, non-ad valorem maintenance tax if authorized by
157 general law.

158 (e) "Benefit special assessments" means district
159 assessments imposed, levied, and collected pursuant to section
160 6(12)(b).

161 (f) "Board of supervisors" or "board" means the governing
162 body of the district or, if such board has been abolished, the
163 board, body, or commission assuming the principal functions
164 thereof or to whom the powers given to the board by this act
165 have been given by law.

166 (g) "Bond" includes "certificate," and the provisions that
167 are applicable to bonds are equally applicable to certificates.
168 The term also includes any general obligation bond, assessment
169 bond, refunding bond, revenue bond, bond anticipation note, and
170 other such obligation in the nature of a bond as is provided for
171 in this act.

172 (h) "Cost" or "costs," when used in reference to any
173 project, includes, but is not limited to:

174 1. The expenses of determining the feasibility or
175 practicability of acquisition, construction, or reconstruction.

- 176 2. The cost of surveys, estimates, plans, and
- 177 specifications.
- 178 3. The cost of improvements.
- 179 4. Engineering, architectural, fiscal, and legal expenses
- 180 and charges.
- 181 5. The cost of all labor, materials, machinery, and
- 182 equipment.
- 183 6. The cost of all lands, properties, rights, easements,
- 184 and franchises acquired.
- 185 7. Financing charges.
- 186 8. The creation of initial reserve and debt service funds.
- 187 9. Working capital.
- 188 10. Interest charges incurred or estimated to be incurred
- 189 on money borrowed prior to and during construction and
- 190 acquisition and for such reasonable period of time after
- 191 completion of construction or acquisition as the board may
- 192 determine.
- 193 11. The cost of issuance of bonds pursuant to this act,
- 194 including advertisements and printing.
- 195 12. The cost of any bond or tax referendum held pursuant
- 196 to this act and all other expenses of issuance of bonds.
- 197 13. The discount, if any, on the sale or exchange of
- 198 bonds.
- 199 14. Administrative expenses.
- 200 15. Such other expenses as may be necessary or incidental

201 to the acquisition, construction, or reconstruction of any
 202 project, or to the financing thereof, or to the development of
 203 any lands within the district.

204 16. Payments, contributions, dedications, and any other
 205 exactions required as a condition of receiving any governmental
 206 approval or permit necessary to accomplish any district purpose.

207 17. Any other expense or payment permitted by this act or
 208 allowable by law.

209 (i) "District" means the Star Farms Village at North Port
 210 Stewardship District.

211 (j) "District manager" means the manager of the district.

212 (k) "District roads" means highways, streets, roads,
 213 alleys, intersection improvements, sidewalks, crossings,
 214 landscaping, irrigation, signage, signalization, storm drains,
 215 bridges, multiuse trails, lighting, and thoroughfares of all
 216 kinds.

217 (l) "General obligation bonds" means bonds which are
 218 secured by, or provide for their payment by, the pledge of the
 219 full faith and credit and taxing power of the district.

220 (m) "General-purpose local government" means a city,
 221 municipality, or consolidated city-county government.

222 (n) "Governing board member" means any member of the board
 223 of supervisors.

224 (o) "Land development regulations" means those regulations
 225 of the general-purpose local government, adopted under the

226 Community Planning Act, codified as part II of chapter 163,
227 Florida Statutes, to which the district is subject and as to
228 which the district may not do anything that is inconsistent
229 therewith. The term "land development regulations" does not
230 include specific management, engineering, operations, or capital
231 improvement planning needed in the daily management,
232 implementation, and supplying by the district of systems,
233 facilities, services, works, improvements, projects, or
234 infrastructure, so long as they remain subject to and are not
235 inconsistent with the applicable city codes.

236 (p) "Landowner" means the owner of a freehold estate as it
237 appears on the deed record, including a trustee, a private
238 corporation, and an owner of a condominium unit. The term
239 "landowner" does not include a reversioner, remainderman,
240 mortgagee, or any governmental entity which shall not be counted
241 and need not be notified of proceedings under this act. The term
242 "landowner" also means the owner of a ground lease from a
243 governmental entity, which leasehold interest has a remaining
244 term, excluding all renewal options, in excess of 50 years.

245 (q) "Maintenance special assessments" means assessments
246 imposed, levied, and collected pursuant to section 6(12)(d).

247 (r) "Non-ad valorem assessment" means only those
248 assessments which are not based upon millage and which can
249 become a lien against a homestead as permitted in s. 4, Article
250 X of the State Constitution.

251 (s) "Powers" means powers used and exercised by the board
 252 of supervisors to accomplish the special and limited purpose of
 253 the district, including:

254 1. "General powers," which means those organizational and
 255 administrative powers of the district as provided in its charter
 256 in order to carry out its special and limited purposes as a
 257 local government public corporate body politic.

258 2. "Special powers," which means those powers enumerated
 259 by the district charter to implement its specialized systems,
 260 facilities, services, projects, improvements, and infrastructure
 261 and related functions in order to carry out its special and
 262 limited purposes.

263 3. Any other powers, authority, or functions set forth in
 264 this act.

265 (t) "Project" means any development, improvement,
 266 property, power, utility, facility, enterprise, service, system,
 267 works, or infrastructure now existing or hereafter undertaken or
 268 established under this act.

269 (u) "Qualified elector" means any person at least 18 years
 270 of age who is a citizen of the United States and a legal
 271 resident of the state and of the district, who registers to vote
 272 with the Supervisor of Elections of Sarasota County, and who
 273 resides in the City of North Port.

274 (v) "Reclaimed water" means water, including from wells or
 275 stormwater management facilities, that has received at least

HB 1117

2024

276 secondary treatment and basic disinfection and is reused after
277 flowing out of a domestic wastewater treatment facility, or
278 otherwise as an approved use of surface water or groundwater by
279 the water management district.

280 (w) "Reclaimed water system" means any plant, well, system,
281 facility, or property, and any addition, extension, or
282 improvement thereto at any future time constructed or acquired
283 as part thereof, useful, necessary, or having the present
284 capacity for future use in connection with the development of
285 sources, treatment, purification, or distribution of reclaimed
286 water. The term includes franchises of any nature relating to
287 any such system and necessary or convenient for the operation
288 thereof including for the district's own use or resale.

289 (x) "Refunding bonds" means bonds issued to refinance
290 outstanding bonds of any type and the interest and redemption
291 premium thereon. Refunding bonds may be issuable and payable in
292 the same manner as refinanced bonds, except that no approval by
293 the electorate shall be required unless required by the State
294 Constitution.

295 (y) "Revenue bonds" means obligations of the district that
296 are payable from revenues, including, but not limited to,
297 special assessments and benefit special assessments, derived
298 from sources other than ad valorem taxes on real or tangible
299 personal property and that do not pledge the property, credit,
300 or general tax revenue of the district.

301 (z) "Sewer system" means any plant, system, facility, or
 302 property, and additions, extensions, and improvements thereto at
 303 any future time constructed or acquired as part thereof, useful
 304 or necessary or having the present capacity for future use in
 305 connection with the collection, treatment, purification, or
 306 disposal of sewage, including, but not limited to, industrial
 307 wastes resulting from any process of industry, manufacture,
 308 trade, or business or from the development of any natural
 309 resource. The term also includes treatment plants, pumping
 310 stations, lift stations, valves, force mains, intercepting
 311 sewers, laterals, pressure lines, mains, and all necessary
 312 appurtenances and equipment; all sewer mains, laterals, and
 313 other devices for the reception and collection of sewage from
 314 premises connected therewith; all real and personal property and
 315 any interest therein; and rights, easements, and franchises of
 316 any nature relating to any such system and necessary or
 317 convenient for operation thereof.

318 (aa) "Special assessments" means assessments as imposed,
 319 levied, and collected by the district for the costs of
 320 assessable improvements pursuant to this act; chapter 170,
 321 Florida Statutes; and the additional authority under s.
 322 197.3631, Florida Statutes, or other provisions of general law,
 323 now or hereinafter enacted, which provide or authorize a
 324 supplemental means to impose, levy, or collect special
 325 assessments.

326 (bb) "Star Farms Village at North Port Stewardship
 327 District" means the unit of special and limited purpose local
 328 government and political subdivision created and chartered by
 329 this act, and limited to the performance of those general and
 330 special powers authorized by its charter under this act, the
 331 boundaries of which are set forth by the act, the governing
 332 board of which is created and authorized to operate with legal
 333 existence by this act, and the purpose of which is as set forth
 334 in this act.

335 (cc) "Tax" or "taxes" means those levies and impositions
 336 of the board of supervisors that support and pay for government
 337 and the administration of law and that may be:

338 1. Ad valorem or property taxes based upon both the
 339 appraised value of property and millage, at a rate uniform
 340 within the jurisdiction; or

341 2. If and when authorized by general law, non-ad valorem
 342 maintenance taxes not based on millage that are used to maintain
 343 district systems, facilities, and services.

344 (dd) "Water system" means any plant, system, facility, or
 345 property, and any addition, extension, or improvement thereto at
 346 any future time constructed or acquired as a part thereof,
 347 useful, necessary, or having the present capacity for future use
 348 in connection with the development of sources, treatment,
 349 purification, or distribution of water. The term also includes
 350 dams, reservoirs, storage tanks, mains, lines, valves, pumping

HB 1117

2024

351 stations, laterals, and pipes for the purpose of carrying water
352 to the premises connected with such system, and all rights,
353 easements, and franchises of any nature relating to any such
354 system and necessary or convenient for the operation thereof.

355 (3) POLICY.—Based upon its findings, ascertainments,
356 determinations, intent, purpose, and definitions, the
357 Legislature states its policy expressly:

358 (a) The district and the district charter, with its
359 general and special powers, as created in this act, are
360 essential and the best alternative for the residential,
361 commercial, industrial, office, hotel, health care, and other
362 similar community uses, projects, or functions in the included
363 portion of the City of North Port consistent with the effective
364 comprehensive plan, and designed to serve a lawful public
365 purpose.

366 (b) The district, which is a local government and a
367 political subdivision, is limited to its special purpose as
368 expressed in this act, with the power to provide, plan,
369 implement, construct, maintain, and finance as a local
370 government management entity systems, facilities, services,
371 improvements, infrastructure, and projects, and possessing
372 financing powers to fund its management power over the long term
373 and with sustained levels of high quality.

374 (c) The creation of the Star Farms Village at North Port
375 Stewardship District by and pursuant to this act, and its

HB 1117

2024

376 exercise of its management and related financing powers to
377 implement its limited, single, and special purpose, is not a
378 development order and does not trigger or invoke any provision
379 within the meaning of chapter 380, Florida Statutes, and all
380 applicable governmental planning, environmental, and land
381 development laws, regulations, rules, policies, and ordinances
382 apply to all development of the land within the jurisdiction of
383 the district as created by this act.

384 (d) The district shall operate and function subject to,
385 and not inconsistent with, the applicable comprehensive plan of
386 the City of North Port and any applicable development orders
387 (e.g., detailed site plan development orders), zoning
388 regulations, and other land development regulations.

389 (e) The special and single purpose Star Farms Village at
390 North Port Stewardship District shall not have the power of a
391 general-purpose local government to adopt a comprehensive plan
392 or related land development regulation as those terms are
393 defined in the Community Planning Act.

394 (f) This act may be amended, in whole or in part, only by
395 special act of the Legislature. The board of supervisors of the
396 district shall not ask the Legislature to amend this act without
397 first obtaining a resolution or official statement from the
398 district and the City of North Port as may be required by s.
399 189.031(2)(e)4., Florida Statutes, for creation of an
400 independent special district.

401 Section 3. Minimum charter requirements; creation and
 402 establishment; jurisdiction; construction; charter.-

403 (1) Pursuant to s. 189.031(3), Florida Statutes, the
 404 Legislature sets forth that the minimum requirements in
 405 paragraphs (a) through (n) have been met in the identified
 406 provisions of this act as follows:

407 (a) The purpose of the district is stated in the act in
 408 section 2 and subsection (4) of this section.

409 (b) The powers, functions, and duties of the district
 410 regarding ad valorem taxation, bond issuance, other revenue-
 411 raising capabilities, budget preparation and approval, liens and
 412 foreclosure of liens, use of tax deeds and tax certificates as
 413 appropriate for non-ad valorem assessments, and contractual
 414 agreements are set forth in section 6.

415 (c) The provisions for methods for establishing the
 416 district are set forth in this section.

417 (d) The methods for amending the charter of the district
 418 are set forth in section 2.

419 (e) The provisions for the membership and organization of
 420 the governing body and the establishment of a quorum are set
 421 forth in section 5.

422 (f) The provisions regarding the administrative duties of
 423 the governing body are set forth in sections 5 and 6.

424 (g) The provisions applicable to financial disclosure,
 425 noticing, and reporting requirements generally are set forth in

426 sections 5 and 6.

427 (h) The provisions regarding procedures and requirements
 428 for issuing bonds are set forth in section 6.

429 (i) The provisions regarding elections or referenda and
 430 the qualifications of an elector of the district are set forth
 431 in sections 2 and 5.

432 (j) The provisions regarding methods for financing the
 433 district generally are set forth in section 6.

434 (k) Other than taxes levied for the payment of bonds and
 435 taxes levied for periods not longer than 2 years when authorized
 436 by vote of the electors of the district, the provisions for the
 437 authority to levy ad valorem tax and the authorized millage rate
 438 are set forth in section 6.

439 (l) The provisions for the method or methods of collecting
 440 non-ad valorem assessments, fees, or service charges are set
 441 forth in section 6.

442 (m) The provisions for planning requirements are set forth
 443 in this section and section 6.

444 (n) The provisions for geographic boundary limitations of
 445 the district are set forth in sections 4 and 6.

446 (2) The Star Farms Village at North Port Stewardship
 447 District is created and incorporated as a public body corporate
 448 and politic, an independent special and limited purpose local
 449 government, an independent special district, under s. 189.031,
 450 Florida Statutes, as amended from time to time, and as defined

451 in this act and in s. 189.012(3), Florida Statutes, as amended
452 from time to time, in and for portions of the City of North
453 Port. Any amendments to chapter 190, Florida Statutes, after
454 January 1, 2024, granting additional general powers, special
455 powers, authorities, or projects to a community development
456 district by amendment to its uniform charter, ss. 190.006-
457 190.041, Florida Statutes, which are not inconsistent with this
458 act, shall constitute a general power, special power, authority,
459 or function of the Star Farms Village at North Port Stewardship
460 District. All notices for the enactment by the Legislature of
461 this special act have been provided pursuant to the State
462 Constitution, the Laws of Florida, and the Rules of the Florida
463 House of Representatives and of the Florida Senate. No
464 referendum subsequent to the effective date of this act is
465 required as a condition of establishing the district. Therefore,
466 the district, as created by this act, is established on the
467 property described in this act.

468 (3) The territorial boundary of the district shall embrace
469 and include all of that certain real property described in
470 section 4.

471 (4) The jurisdiction of the district, in the exercise of
472 its general and special powers, and in the carrying out of its
473 special and limited purposes, is both within the external
474 boundaries of the legal description of this district and
475 extraterritorially when limited to, and as authorized expressly

HB 1117

2024

476 elsewhere in, the charter of the district as created in this act
477 or applicable general law. This special and limited purpose
478 district is created as a public body corporate and politic, and
479 local government authority and power is limited by its charter,
480 this act, and subject to other general laws, including chapter
481 189, Florida Statutes, except that an inconsistent provision in
482 this act shall control and the district has jurisdiction to
483 perform such acts and exercise such authorities, functions, and
484 powers as shall be necessary, convenient, incidental, proper, or
485 reasonable for the implementation of its special and limited
486 purpose regarding the sound planning, provision, acquisition,
487 development, operation, maintenance, and related financing of
488 those public systems, facilities, services, improvements,
489 projects, and infrastructure works as authorized herein,
490 including those necessary and incidental thereto. The district
491 shall only exercise any of its powers extraterritorially within
492 the City of North Port after execution of an interlocal
493 agreement between the district and the City of North Port
494 consenting to the district's exercise of any of such powers
495 within the City of North Port or an applicable development order
496 or as part of other land development regulations issued by the
497 City of North Port.

498 (5) The exclusive charter of the Star Farms Village at
499 North Port Stewardship District is this act and, except as
500 otherwise provided in subsection (2), may be amended only by

501 special act of the Legislature.

502 Section 4. Legal description of the Star Farms Village at
 503 North Port Stewardship District.—The metes and bounds legal
 504 description of the district, within which there are no parcels
 505 of property owned by those who do not wish their property to be
 506 included within the district, is as follows:

507
 508 TRACT 1 (FROM O.R.I. 2002036237)

509
 510 A PORTION OF THE NORTH HALF OF SECTION 5, TOWNSHIP 39
 511 SOUTH, RANGE 22 EAST, SARASOTA COUNTY, FLORIDA, BEING
 512 MORE PARTICULARLY DESCRIBED AS FOLLOWS:

513
 514 BEGINNING AT THE SOUTHEAST CORNER OF THE NORTHEAST
 515 QUARTER OF SAID SECTION 5; THENCE N.89°37'34"W., ALONG
 516 THE SOUTH LINE OF SAID NORTHEAST QUARTER, A DISTANCE
 517 OF 2652.93 FEET TO THE SOUTHEAST CORNER OF THE
 518 NORTHWEST QUARTER OF SAID SECTION 5; THENCE
 519 N.89°37'34"W., ALONG THE SOUTH LINE OF SAID NORTHWEST
 520 QUARTER, A DISTANCE OF 2652.93 FEET TO THE SOUTHWEST
 521 CORNER OF SAID NORTHWEST QUARTER OF SECTION 5; THENCE
 522 N.00°44'41"E., ALONG THE WEST LINE OF SAID NORTHWEST
 523 QUARTER, A DISTANCE OF 1761.54 FEET TO A POINT ON THE
 524 CENTER LINE OF A 100 FOOT WIDE, NON-EXCLUSIVE INGRESS,
 525 EGRESS AND UTILITY EASEMENT RUNNING THROUGH SECTIONS

HB 1117

2024

526 4, 5 AND 6 AS DESCRIBED IN O.R.I. 2001131259, PUBLIC
527 RECORDS OF SARASOTA COUNTY, FLORIDA, AND TO A POINT ON
528 A CURVE TO THE RIGHT, HAVING A RADIUS OF 2000.00 FEET,
529 A CENTRAL ANGLE OF 00°51'35", A CHORD BEARING OF
530 S.80°38'17"E., AND A CHORD LENGTH OF 30.01 FEET;
531 THENCE ALONG THE ARC OF SAID CURVE, AN ARC LENGTH OF
532 30.01 FEET TO THE POINT OF TANGENCY OF SAID CURVE;
533 THENCE S.80°12'29"E., CONTINUING ALONG SAID CENTER
534 LINE, A DISTANCE OF 2116.26 FEET TO THE POINT OF
535 CURVATURE OF A CURVE TO THE LEFT, HAVING A RADIUS OF
536 1000.00 FEET, A CENTRAL ANGLE OF 25°59'19", A CHORD
537 BEARING OF N.86°47'52"E. AND A CHORD LENGTH OF 449.71
538 FEET; THENCE ALONG THE ARC OF SAID CURVE, AN ARC
539 LENGTH OF 453.59 FEET TO THE POINT OF TANGENCY OF SAID
540 CURVE; THENCE N.73°48'12"E., ALONG SAID CENTER LINE, A
541 DISTANCE OF 348.80 FEET TO THE POINT OF CURVATURE OF A
542 CURVE TO THE RIGHT, HAVING A RADIUS OF 1000.00 FEET, A
543 CENTRAL ANGLE OF 71°05'17", A CHORD BEARING OF
544 S.70°39'09"E., AND A CHORD LENGTH OF 1162.66 FEET;
545 THENCE ALONG THE ARC OF SAID CURVE, AN ARC LENGTH OF
546 1240.72 FEET TO THE POINT OF TANGENCY OF SAID CURVE;
547 THENCE. S.35°06'31"E., ALONG SAID CENTER LINE, A
548 DISTANCE OF 852.30 FEET TO THE POINT OF CURVATURE OF A
549 CURVE TO THE LEFT, HAVING A RADIUS OF 900.00 FEET, A
550 CENTRAL ANGLE OF 54°12'00", A CHORD BEARING OF

551 S.62°12'31"E. AND A CHORD LENGTH OF 819.98 FEET;
 552 THENCE ALONG THE ARC OF SAID CURVE, AN ARC LENGTH OF
 553 851.37 FEET TO THE POINT OF TANGENCY OF SAID CURVE;
 554 THENCE S.89°18'31"E., ALONG SAID CENTER LINE, A
 555 DISTANCE OF 72.56 FEET TO A POINT ON THE EAST LINE OF
 556 THE NORTHEAST QUARTER OF SAID SECTION 5; THENCE
 557 S.00°50'30"W., ALONG SAID EAST LINE, A DISTANCE OF
 558 88.02 FEET TO THE POINT OF BEGINNING.

559
 560 TOGETHER WITH THE INGRESS/EGRESS AND UTILITY EASEMENT
 561 GRANTED IN O.R. INSTRUMENT NO. 2002036237 OF THE
 562 PUBLIC RECORDS OF SARASOTA COUNTY, FLORIDA

563
 564 TRACT 2

565
 566 A PORTION OF SECTIONS 4, 5, 6, 8, 9, 15 AND 16,
 567 TOWNSHIP 39 SOUTH, RANGE 22 EAST, SARASOTA COUNTY,
 568 FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
 569
 570 COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 6,
 571 TOWNSHIP 39 SOUTH, RANGE 22 EAST, ALSO BEING THE
 572 NORTHEAST CORNER OF THE SECOND ADDITION TO NORTH PORT
 573 CHARLOTTE ESTATES, PER PLAT THEREOF RECORDED IN PLAT
 574 BOOK 19, PAGES 44 AND 44A THROUGH 44-0, PUBLIC RECORDS
 575 OF SAID SARASOTA COUNTY, FLORIDA; THENCE S.00°30'07"W.

576 (GRID BEARING, FLORIDA TRANSVERSE MERCATOR, WEST
 577 ZONE), ALONG THE WEST LINE OF SAID SECTION 6, A
 578 DISTANCE OF 2548.44 FEET TO THE SOUTHWEST CORNER OF
 579 THE NORTH HALF OF SAID SECTION 6; THENCE
 580 S.00°30'07"W., CONTINUING ALONG SAID WEST LINE OF
 581 SECTION 6, A DISTANCE OF 100.02 FEET TO THE POINT OF
 582 BEGINNING; THENCE S.88°26'46"E., PARALLEL WITH AND
 583 100.00 FEET SOUTH OF THE SOUTH LINE OF THE NORTH HALF
 584 OF SAID SECTION 6, A DISTANCE OF 5299.57 FEET TO A
 585 POINT ON THE WEST LINE OF SECTION 5, BEARING
 586 S.00°44'41"W., A DISTANCE OF 100.01 FEET FROM THE
 587 SOUTHWEST CORNER OF THE NORTH HALF OF SAID SECTION 5;
 588 THENCE S.89°37'34"E., PARALLEL WITH AND 100.00 FEET
 589 SOUTH OF THE SOUTH LINE OF THE NORTH HALF OF SAID
 590 SECTION 5, A DISTANCE OF 5305.69 FEET TO A POINT ON
 591 THE WEST LINE OF SECTION 4, BEARING S.00°50'30"W., A
 592 DISTANCE OF 100.01 FEET FROM THE SOUTHWEST CORNER OF
 593 THE NORTH HALF OF SAID SECTION 4; THENCE
 594 S.89°49'42"E., PARALLEL WITH AND 100.00 FEET SOUTH OF
 595 THE SOUTH LINE OF THE NORTH HALF OF SAID SECTION 4, A
 596 DISTANCE OF 4877.78 FEET; THENCE S.16°26'43"E., A
 597 DISTANCE OF 960.52 FEET; THENCE S.00°47'59"W.,
 598 PARALLEL WITH AND 150.00 FEET WEST OF THE EAST LINE OF
 599 SAID SECTION 4, A DISTANCE OF 513.02 FEET; THENCE
 600 S.18°20'50"W., A DISTANCE OF 1189.95 FEET TO A POINT

601 ON THE NORTH LINE OF SECTION 9, BEARING N.89°56'00"W.,
 602 A DISTANCE OF 508.81 FEET FROM THE NORTHEAST CORNER OF
 603 SAID SECTION 9; THENCE N.89°56'00"W., ALONG THE NORTH
 604 LINE OF SAID SECTION 9, A DISTANCE OF 2148.47 FEET TO
 605 THE NORTHWEST CORNER OF THE EAST HALF OF SAID SECTION
 606 9; THENCE S.01°01'52"W., ALONG THE WEST LINE OF THE
 607 EAST HALF OF SAID SECTION 9, A DISTANCE OF 5312.87
 608 FEET TO THE SOUTHWEST CORNER OF THE EAST HALF OF SAID
 609 SECTION 9; THENCE S.89°47'00"E., ALONG THE SOUTH LINE
 610 OF SECTION 9, ALSO THE NORTH LINE OF SECTION 16, A
 611 DISTANCE OF 2662.92 FEET TO THE NORTHWEST CORNER OF
 612 SECTION 15; THENCE S.89°40'03"E., ALONG THE NORTH LINE
 613 OF SAID SECTION 15, A DISTANCE OF 536.06 FEET TO A
 614 POINT IN THE ALDERMAN SLOUGH; THENCE FOLLOWING SAID
 615 ALDERMAN SLOUGH IN A SOUTHERLY DIRECTION, THE
 616 FOLLOWING COURSES THROUGH SECTION 15: THENCE
 617 S.12°02'12"E., A DISTANCE OF 127.44 FEET; THENCE
 618 S.09°19'36"E., A DISTANCE OF 688.88 FEET;. THENCE
 619 S.04°17'39"E., A DISTANCE OF 145.23 FEET; THENCE
 620 S.11°04'54"E., A DISTANCE OF 278.80 FEET; THENCE
 621 S.18°24'37"W., A DISTANCE OF 118.03 FEET; THENCE
 622 S.27°30'33"W., A DISTANCE OF 170.26 FEET; THENCE
 623 S.05°11'15"E., A DISTANCE OF 86.33 FEET; THENCE
 624 S.07°05'59"W., A DISTANCE OF 206.26 FEET; THENCE
 625 S.03°47'11"E., A DISTANCE OF 108.15 FEET; THENCE

626 S.15°38'29"W., A DISTANCE OF 229.08 FEET; THENCE
 627 S.11°11'29"W., A DISTANCE OF 651.33 FEET; THENCE
 628 S.04°17'53"W., A DISTANCE OF 74.25 FEET; THENCE
 629 S.16°13'07"W., A DISTANCE OF 79.94 FEET; THENCE
 630 S.06°56'07"W., A DISTANCE OF 292.06 FEET; THENCE
 631 S.19°33'24"W., A DISTANCE OF 62.42 FEET; THENCE
 632 S.51°48'15"W., A DISTANCE OF 177.50 FEET; THENCE
 633 S.35°17'02"W., A DISTANCE OF 182.82 FEET; THENCE
 634 S.51°44'00"W., A DISTANCE OF 129.18 FEET TO A POINT ON
 635 THE EAST LINE OF SECTION 16, BEARING N.00°16'13"E., A
 636 DISTANCE OF 1734.15 FEET FROM THE SOUTHEAST CORNER OF
 637 SAID SECTION 16; THENCE S.51°44'00'W., THROUGH SECTION
 638 16, A DISTANCE OF 18.84 FEET; THENCE S.35°17'35"W., A
 639 DISTANCE OF 203.28 FEET TO A POINT ON THE NORTHERLY
 640 LIMITED ACCESS RIGHT-OF-WAY LINE FOR INTERSTATE
 641 HIGHWAY #75; THENCE N.44°57'25"W., ALONG SAID RIGHT-
 642 OF- WAY LINE, A DISTANCE OF 7168.47 FEET TO THE POINT
 643 OF CURVATURE OF A CURVE TO THE LEFT, HAVING A RADIUS
 644 OF 5846.49 FEET, A CENTRAL ANGLE OF 44°14'48", A CHORD
 645 BEARING OF N.67°04'49'W., AND A CHORD LENGTH OF
 646 4403.59 FEET; THENCE ALONG THE ARC OF SAID CURVE, AN
 647 ARC LENGTH OF 4514.95 FEET TO THE POINT OF TANGENCY OF
 648 SAID CURVE; THENCE N.89°12'13"W., ALONG SAID RIGHT-OF-
 649 WAY LINE, A DISTANCE OF 1309.66 FEET TO A POINT ON THE
 650 WEST LINE OF SECTION 8; THENCE N.01°04'23"E., ALONG

651 THE WEST LINE OF SAID SECTION 8, A DISTANCE OF 2325.50
 652 FEET TO THE SOUTHEAST CORNER OF SECTION 6; THENCE
 653 N.87°10'58"W., ALONG THE SOUTH LINE OF SAID SECTION 6,
 654 ALSO THE NORTH LINE OF SECTION 7, A DISTANCE OF
 655 5292.12 FEET TO THE SOUTHWEST CORNER OF SAID SECTION
 656 6; THENCE N.00°30'07"E., ALONG THE WEST LINE OF
 657 SECTION 6, A DISTANCE OF 2448.42 FEET TO THE POINT OF
 658 BEGINNING.

659
 660 LESS AND EXCEPT:

661
 662 A PORTION OF THE SOUTH HALF OF SECTION 6, TOWNSHIP 39
 663 SOUTH, RANGE 22 EAST, SARASOTA COUNTY, FLORIDA, MORE
 664 PARTICULARLY DESCRIBED AS FOLLOWS:

665
 666 BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 6,
 667 N.= 1007797.74, E.= 605625.27, FLORIDA STATE PLANE
 668 COORDINATE SYSTEM, WEST ZONE; THENCE N.00°30'07"E.,
 669 'GRID BEARING' ALONG THE WEST LINE OF SAID SECTION 6,
 670 A DISTANCE OF 56.50 FEET; THENCE N.42°23'13"E., A
 671 DISTANCE OF 2975.77 FEET; THENCE S.88°26'46"E., A
 672 DISTANCE OF 2676.20 FEET TO A POINT ON THE
 673 NORTHEASTERLY LINE OF THAT CERTAIN 50 FOOT WIDE WATER
 674 PIPE LINE EASEMENT AS DESCRIBED IN O.R.I. #
 675 1999158305, PUBLIC RECORDS OF SAID SARASOTA COUNTY,

676 FLORIDA; THENCE S.44°53'43"E., ALONG SAID
 677 NORTHEASTERLY LINE, A DISTANCE OF 889.05 FEET TO A
 678 POINT ON THE EAST LINE OF SAID SECTION 6; THENCE
 679 S.00°44'41"W., ALONG SAID EAST LINE, A DISTANCE OF
 680 1812.32 FEET TO THE SOUTHEAST CORNER OF SAID SECTION
 681 6; THENCE N.87°10'58"W., ALONG THE SOUTH LINE OF SAID
 682 SECTION 6, A DISTANCE OF 5292.12 FEET TO THE POINT OF
 683 BEGINNING.

684
 685 AND LESS THE PORTION THEREOF CONVEYED IN O.R.
 686 INSTRUMENT NO. 2002056489, OF THE PUBLIC RECORDS OF
 687 SARASOTA COUNTY, FLORIDA

688
 689 TOGETHER WITH AN EASEMENT FOR INGRESS/EGRESS &
 690 UTILITIES OVER, ACROSS AND THROUGH SAID LANDS
 691 DESCRIBED IN O.R. INSTRUMENT NO. 2002056489

692
 693 TRACT 3 (FROM O.R.I. 2000076817)

694
 695 A PORTION OF SECTIONS 3, 4, 5, 6, 9 AND 10, TOWNSHIP
 696 39 SOUTH, RANGE 22 EAST, SARASOTA COUNTY, FLORIDA,
 697 BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

698
 699 COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 6,
 700 TOWNSHIP 39 SOUTH, RANGE 22 EAST, ALSO BEING THE

701 NORTHEAST CORNER OF THE SECOND ADDITION TO NORTH PORT
 702 CHARLOTTE ESTATES, PER PLAT THEREOF RECORDED IN PLAT
 703 BOOK 19, PAGES 44 AND 44A THROUGH 44-0, PUBLIC RECORDS
 704 OF SAID SARASOTA COUNTY, FLORIDA; THENCE S.00°30'07"W.
 705 (GRID BEARING, FLORIDA TRANSVERSE MERCATOR, WEST
 706 ZONE), ALONG THE WEST LINE OF SAID SECTION 6, A
 707 DISTANCE OF 2548.44 FEET TO THE SOUTHWEST CORNER OF
 708 THE NORTH HALF OF SAID SECTION 6 AND THE POINT OF
 709 BEGINNING; THENCE S.88°26'46"E., ALONG THE SOUTH LINE
 710 OF SAID NORTH HALF A DISTANCE OF 5299.99 FEET TO THE
 711 SOUTHWEST CORNER OF THE NORTH HALF OF SECTION 5;
 712 THENCE S.89°37'34"E., ALONG THE SOUTH LINE OF SAID
 713 NORTH HALF, A DISTANCE OF 5305.86 FEET TO THE
 714 SOUTHWEST CORNER OF THE NORTH HALF OF SECTION 4;
 715 THENCE S.89°49'42"E., ALONG THE SOUTH LINE OF SAID
 716 NORTH HALF, A DISTANCE OF 5280.31 FEET TO A POINT IN
 717 THE ALDERMAN SLOUGH BEARING N.89°49'42"W., A DISTANCE
 718 OF 32.18 FEET FROM THE SOUTHEAST CORNER OF THE NORTH
 719 HALF OF SAID SECTION 4; THENCE FOLLOWING SAID ALDERMAN
 720 SLOUGH IN A SOUTHERLY DIRECTION, THE FOLLOWING
 721 COURSES: S.19°46'12"W., A DISTANCE OF 384.63 FEET;
 722 THENCE S.06°17'38"E., A DISTANCE OF 74.84 FEET; THENCE
 723 S.16°26'43"E., A DISTANCE OF 499.12 FEET TO A POINT ON
 724 THE WEST LINE OF SECTION 3, BEARING N.00°47'59"E., A
 725 DISTANCE OF 1748.16 FEET FROM THE SOUTHWEST CORNER OF

726 SAID SECTION 3; THENCE S.16°26'43"E., THROUGH SECTION
 727 3, A DISTANCE OF 211.62 FEET; THENCE S.03°07'54"W., A
 728 DISTANCE OF 225.97 FEET; THENCE S.07°53'10"W., A
 729 DISTANCE OF 216.17 FEET; THENCE S.18°35'25"W., A
 730 DISTANCE OF 87.96 FEET TO A POINT ON THE EAST LINE OF
 731 SECTION 4, BEARING N.00°47'59"E., A DISTANCE OF
 732 1022.00 FEET FROM THE SOUTHEAST CORNER OF SAID SECTION
 733 4; THENCE S.18°20'50"W., A DISTANCE OF 1076.23 FEET
 734 TO A POINT ON THE NORTH LINE OF SECTION 9, BEARING
 735 N.89°56'00"W., A DISTANCE OF 324.51 FEET FROM THE
 736 NORTHEAST CORNER OF SAID SECTION 9; THENCE
 737 S.18°25'53"W., THROUGH SECTION 9, A DISTANCE OF 85.39
 738 FEET; THENCE S.27°12'16"E., A DISTANCE OF 517.18 FEET;
 739 THENCE S.57°39'41"E., A DISTANCE OF 124.04 FEET TO A
 740 POINT ON THE WEST LINE OF SECTION 10, BEARING
 741 S.00°58'09"W., A DISTANCE OF 607.04 FEET FROM THE
 742 NORTHWEST CORNER OF SAID SECTION 10; THENCE
 743 S.57°39'41"E., THROUGH SECTION 10, A DISTANCE OF 63.21
 744 FEET; THENCE S.10°12'48"E., A DISTANCE OF 555.38 FEET;
 745 THENCE S.07°21'16"E., A DISTANCE OF 672.34 FEET;
 746 THENCE S.10°44'03"E., A DISTANCE OF 651.24 FEET;
 747 THENCE S.10°36'13"W., A DISTANCE OF 530.75 FEET;
 748 THENCE S.01°14'47"W., A DISTANCE OF 820.24 FEET;
 749 THENCE S.03°22'21"E., A DISTANCE OF 253.99 FEET;
 750 THENCE S.08°05'01"E., A DISTANCE OF 925.01 FEET;

751 THENCE S.12°02'12"E., A DISTANCE OF 324.13 FEET TO A
 752 POINT ON THE SOUTH LINE OF SAID SECTION 10; THENCE
 753 N.89°40'03"W., ALONG THE SOUTH LINE OF SAID SECTION 10
 754 AND LEAVING SAID ALDERMAN SLOUGH, A DISTANCE OF 536.06
 755 FEET TO THE SOUTHEAST CORNER OF SECTION 9; THENCE
 756 N.89°47'00"W., ALONG THE SOUTH LINE OF SAID SECTION 9,
 757 A DISTANCE OF 2662.92 FEET TO THE SOUTHWEST CORNER OF
 758 THE EAST HALF OF SAID SECTION 9; THENCE N.01°01'52"E.,
 759 ALONG THE WEST LINE OF SAID EAST HALF, A DISTANCE OF
 760 5312.87 FEET TO THE NORTHWEST CORNER OF THE EAST HALF
 761 OF SAID SECTION 9; THENCE S89°56'00"E., ALONG THE
 762 NORTH LINE OF SECTION 9, ALSO THE SOUTH LINE OF
 763 SECTION 4, A DISTANCE OF 2148.47 FEET TO A POINT
 764 BEARING N.89°56'00"W., A DISTANCE OF 508.81 FEET FROM
 765 THE SOUTHEAST CORNER OF SAID SECTION 4; THENCE
 766 N.18°20'50"E., THROUGH SECTION 4, A DISTANCE OF
 767 1189.95 FEET; THENCE N.00°47'59"E., PARALLEL WITH AND
 768 150.00 FEET WEST OF THE EAST LINE OF SAID SECTION 4, A
 769 DISTANCE OF 513.02 FEET; THENCE N.16°26'43"W., A
 770 DISTANCE OF 960.52 FEET; THENCE N.89°49'42"W.,
 771 PARALLEL WITH AND 100.00 FEET SOUTH OF THE SOUTH LINE
 772 OF THE NORTH HALF OF SAID SECTION 4, A DISTANCE OF
 773 4877.78 FEET TO A POINT ON THE EAST LINE OF SECTION 5;
 774 THENCE N.89°37'34"W., PARALLEL WITH AND 100.00 FEET
 775 SOUTH OF THE SOUTH LINE OF THE NORTH HALF OF SAID

HB 1117

2024

776 SECTION 5, A DISTANCE OF 5305.69 FEET TO A POINT ON
 777 THE EAST LINE OF SECTION 6; THENCE N.88°26'46"W.,
 778 PARALLEL WITH AND 100.00 FEET SOUTH OF THE SOUTH LINE
 779 OF THE NORTH HALF OF SAID SECTION 6, A DISTANCE OF
 780 5299.57 FEET TO THE WEST LINE OF SAID SECTION 6;
 781 THENCE N.00°30'07"E., ALONG SAID WEST LINE, A DISTANCE
 782 OF 100.02 FEET TO THE SOUTHWEST CORNER OF THE NORTH
 783 HALF OF SAID SECTION 6 AND THE POINT OF BEGINNING.

784
 785 AND LESS THE PORTION THEREOF CONVEYED IN O.R.
 786 INSTRUMENT NO. 2002056489, OF THE PUBLIC RECORDS OF
 787 SARASOTA COUNTY, FLORIDA.

788
 789 TOGETHER WITH AN EASEMENT FOR INGRESS/EGRESS &
 790 UTILITIES OVER, ACROSS AND THROUGH SAID LANDS
 791 DESCRIBED IN O.R. INSTRUMENT NO. 2002056489.

792
 793 CONTAINING A TOTAL AREA OF 2,086 ACRES, MORE OR LESS.

794
 795 Being subject to any rights-of-way, restrictions and
 796 easements of record.

797
 798 Section 5. Board of supervisors; members and meetings;
 799 organization; powers; duties; terms of office; related election
 800 requirements.-

801 (1) The board of the district shall exercise the powers
802 granted to the district pursuant to this act. The board shall
803 consist of five members, each of whom shall hold office for a
804 term of 4 years, as provided in this section, except as
805 otherwise provided herein for initial board members, and until a
806 successor is chosen and qualified. The members of the board must
807 be residents of the state and citizens of the United States.

808 (2)(a) Within 90 days after the effective date of this
809 act, there shall be held a meeting of the landowners of the
810 district for the purpose of electing five supervisors for the
811 district. Notice of the landowners' meeting shall be published
812 once a week for 2 consecutive weeks in a newspaper that is in
813 general circulation in the area of the district, the last day of
814 such publication to be not less than 14 days or more than 28
815 days before the date of the election. The landowners, when
816 assembled at such meeting, shall organize by electing a chair,
817 who shall conduct the meeting. The chair may be any person
818 present at the meeting. If the chair is a landowner or proxy
819 holder of a landowner, he or she may nominate candidates and
820 make and second motions. The landowners present at the meeting,
821 in person or by proxy, shall constitute a quorum. At any
822 landowners' meeting, 50 percent of the district acreage shall
823 not be required to constitute a quorum, and each governing board
824 member elected by landowners shall be elected by a majority of
825 the acreage represented either by owner or proxy present and

HB 1117

2024

826 voting at said meeting.

827 (b) At such meeting, each landowner shall be entitled to
828 cast one vote per acre of land owned by him or her and located
829 within the district for each person to be elected. A landowner
830 may vote in person or by proxy in writing. Each proxy must be
831 signed by one of the legal owners of the property for which the
832 vote is cast and must contain the typed or printed name of the
833 individual who signed the proxy; the street address, legal
834 description of the property, or tax parcel identification
835 number; and the number of authorized votes. If the proxy
836 authorizes more than one vote, each property must be listed and
837 the number of acres of each property must be included. The
838 signature on a proxy need not be notarized. A fraction of an
839 acre shall be treated as 1 acre, entitling the landowner to one
840 vote with respect thereto. The three candidates receiving the
841 highest number of votes shall each be elected for terms expiring
842 November 28, 2028, and the two candidates receiving the next
843 highest number of votes shall each be elected for terms expiring
844 November 24, 2026, with the term of office for each successful
845 candidate commencing upon election. The members of the first
846 board elected by landowners shall serve their respective terms;
847 however, the next election of board members shall be held on the
848 first Tuesday after the first Monday in November 2026.
849 Thereafter, there shall be an election by landowners for the
850 district every 2 years on the first Tuesday after the first

HB 1117

2024

851 Monday in November, which shall be noticed pursuant to paragraph
852 (a). The second and subsequent landowners' election shall be
853 announced at a public meeting of the board at least 90 days
854 before the date of the landowners' meeting and shall also be
855 noticed pursuant to paragraph (a). Instructions on how all
856 landowners may participate in the election, along with sample
857 proxies, shall be provided during the board meeting that
858 announces the landowners' meeting. Each supervisor elected in or
859 after November 2026 shall serve a 4-year term.

860 (3)(a)1. The board may not exercise the ad valorem taxing
861 power authorized by this act until such time as all members of
862 the board are qualified electors who are elected by qualified
863 electors of the district.

864 2.a. Regardless of whether the district has proposed to
865 levy ad valorem taxes, board members shall begin being elected
866 by qualified electors of the district as the district becomes
867 populated with qualified electors. The transition shall occur
868 such that the composition of the board, after the first general
869 election following a trigger of the qualified elector population
870 thresholds set forth below, shall be as follows:

871 (I) Once 1,300 qualified electors reside within the
872 district, one governing board member shall be a person who is a
873 qualified elector of the district and who was elected by the
874 qualified electors, and four governing board members shall be
875 persons who were elected by the landowners.

876 (II) Once 2,500 qualified electors reside within the
 877 district, two governing board members shall be persons who are
 878 qualified electors of the district and who were elected by the
 879 qualified electors, and three governing board members shall be
 880 persons who were elected by the landowners.

881 (III) Once 3,700 qualified electors reside within the
 882 district, three governing board members shall be persons who are
 883 qualified electors of the district and who were elected by the
 884 qualified electors, and two governing board members shall be
 885 persons who were elected by the landowners.

886 (IV) Once 4,900 qualified electors reside within the
 887 district, four governing board members shall be persons who are
 888 qualified electors of the district and who were elected by the
 889 qualified electors, and one governing board member shall be a
 890 person who was elected by the landowners.

891 (V) Once 6,100 qualified electors reside within the
 892 district, all five governing board members shall be persons who
 893 are qualified electors of the district and who were elected by
 894 the qualified electors.

895
 896 Nothing in this sub-subparagraph is intended to require an
 897 election prior to the expiration of an existing board member's
 898 term.

899 b. On or before June 1 of each election year, the board
 900 shall determine the number of qualified electors in the district

901 as of the immediately preceding April 15. The board shall use
902 and rely upon the official records maintained by the supervisor
903 of elections and property appraiser or tax collector in Sarasota
904 County in making this determination. Such determination shall be
905 made at a properly noticed meeting of the board and shall become
906 a part of the official minutes of the district.

907 c. All governing board members elected by qualified
908 electors shall be elected at large at an election occurring as
909 provided in subsection (2) and this subsection.

910 d. All governing board members elected by qualified
911 electors shall reside in the district.

912 e. Once the district qualifies to have any of its board
913 members elected by the qualified electors of the district, the
914 initial and all subsequent elections by the qualified electors
915 of the district shall be held at the general election in
916 November. The board shall adopt a resolution, if necessary, to
917 implement this requirement. The transition process described
918 herein is intended to be in lieu of the process set forth in s.
919 189.041, Florida Statutes.

920 (b) Elections of board members by qualified electors held
921 pursuant to this subsection shall be nonpartisan and shall be
922 conducted in the manner prescribed by law for holding general
923 elections. Board members shall assume the office on the second
924 Tuesday following their election.

925 (c) Candidates seeking election to office by qualified

926 electors under this subsection shall conduct their campaigns in
927 accordance with chapter 106, Florida Statutes, and shall file
928 qualifying papers and qualify for individual seats in accordance
929 with s. 99.061, Florida Statutes.

930 (d) The supervisor of elections shall appoint the
931 inspectors and clerks of elections, prepare and furnish the
932 ballots, designate polling places, and canvass the returns of
933 the election of board members by qualified electors. The county
934 canvassing board shall declare and certify the results of the
935 election.

936 (4) Members of the board, regardless of how elected, shall
937 be public officers, shall be known as supervisors, and, upon
938 entering into office, shall take and subscribe to the oath of
939 office as prescribed by s. 876.05, Florida Statutes. Members of
940 the board shall be subject to ethics and conflict of interest
941 laws of the state that apply to all local public officers. They
942 shall hold office for the terms for which they were elected or
943 appointed and until their successors are chosen and qualified.
944 If, during the term of office, a vacancy occurs, the remaining
945 members of the board shall fill each vacancy by an appointment
946 for the remainder of the unexpired term.

947 (5) Any elected member of the board of supervisors may be
948 removed by the Governor for malfeasance, misfeasance,
949 dishonesty, incompetency, or failure to perform the duties
950 imposed upon him or her by this act, and any vacancies that may

HB 1117

2024

951 occur in such office for such reasons shall be filled by the
952 Governor as soon as practicable.

953 (6) A majority of the members of the board constitutes a
954 quorum for the purposes of conducting its business and
955 exercising its powers and for all other purposes. Action taken
956 by the district shall be upon a vote of a majority of the
957 members present unless general law or a rule of the district
958 requires a greater number.

959 (7) As soon as practicable after each election or
960 appointment, the board shall organize by electing one of its
961 members as chair and by electing a secretary, who need not be a
962 member of the board, and such other officers as the board may
963 deem necessary.

964 (8) The board shall keep a permanent record book entitled
965 "Record of Proceedings of Star Farms Village at North Port
966 Stewardship District," in which shall be recorded minutes of all
967 meetings, resolutions, proceedings, certificates, bonds given by
968 all employees, and any and all corporate acts. The record book
969 and all other district records shall at reasonable times be
970 opened to inspection in the same manner as state, county, and
971 municipal records pursuant to chapter 119, Florida Statutes. The
972 record book shall be kept at the office or other regular place
973 of business maintained by the board in a designated location in
974 Sarasota County.

975 (9) No supervisor shall be entitled to receive

976 compensation for his or her services in excess of the limits
 977 established in s. 190.006(8), Florida Statutes, or any successor
 978 statute thereto; however, each supervisor shall receive travel
 979 and per diem expenses as set forth in s. 112.061, Florida
 980 Statutes.

981 (10) All meetings of the board shall be open to the public
 982 and governed by chapter 286, Florida Statutes.

983 Section 6. Board of supervisors; general duties.—

984 (1) DISTRICT MANAGER AND EMPLOYEES.—The board shall employ
 985 and fix the compensation of a district manager, who shall have
 986 charge and supervision of the works of the district and shall be
 987 responsible for preserving and maintaining any improvement or
 988 facility constructed or erected pursuant to this act, for
 989 maintaining and operating the equipment owned by the district,
 990 and for performing such other duties as may be prescribed by the
 991 board. It shall not be a conflict of interest or constitute an
 992 abuse of public position under chapter 112, Florida Statutes,
 993 for a board member, the district manager, or another employee of
 994 the district to be a stockholder, officer, or employee of a
 995 landowner or an affiliate of a landowner. The district manager
 996 may hire or otherwise employ and terminate the employment of
 997 such other persons, including, without limitation, professional,
 998 supervisory, and clerical employees, as may be necessary and
 999 authorized by the board. The compensation and other conditions
 1000 of employment of the officers and employees of the district

1001 shall be as provided by the board.

1002 (2) TREASURER.—The board shall designate a person who is a
 1003 resident of the state as treasurer of the district, who shall
 1004 have charge of the funds of the district. Such funds shall be
 1005 disbursed only upon the order of or pursuant to a resolution of
 1006 the board by warrant or check countersigned by the treasurer and
 1007 by such other person as may be authorized by the board. The
 1008 board may give the treasurer such other or additional powers and
 1009 duties as the board may deem appropriate and may fix his or her
 1010 compensation. The board may require the treasurer to give a bond
 1011 in such amount, on such terms, and with such sureties as may be
 1012 deemed satisfactory to the board to secure the performance by
 1013 the treasurer of his or her powers and duties. The financial
 1014 records of the board shall be audited by an independent
 1015 certified public accountant in accordance with the requirements
 1016 of general law.

1017 (3) PUBLIC DEPOSITORY.—The board is authorized to select
 1018 as a depository for its funds any qualified public depository as
 1019 defined in s. 280.02, Florida Statutes, which meets all the
 1020 requirements of chapter 280, Florida Statutes, and has been
 1021 designated by the treasurer as a qualified public depository
 1022 upon such terms and conditions as to the payment of interest by
 1023 such depository upon the funds so deposited as the board may
 1024 deem just and reasonable.

1025 (4) BUDGET; REPORTS AND REVIEWS.—

HB 1117

2024

1026 (a) The district shall provide financial reports in such
1027 form and such manner as prescribed pursuant to this act and
1028 chapter 218, Florida Statutes, as amended from time to time.

1029 (b) On or before July 15 of each year, the district
1030 manager shall prepare a proposed budget for the ensuing fiscal
1031 year to be submitted to the board for board approval. The
1032 proposed budget shall include at the direction of the board an
1033 estimate of all necessary expenditures of the district for the
1034 ensuing fiscal year and an estimate of income to the district
1035 from the taxes and assessments provided in this act. The board
1036 shall consider the proposed budget item by item and may either
1037 approve the budget as proposed by the district manager or modify
1038 the same in part or in whole. The board shall indicate its
1039 approval of the budget by resolution, which resolution shall
1040 provide for a hearing on the budget as approved. Notice of the
1041 hearing on the budget shall be published in a newspaper of
1042 general circulation in the area of the district once a week for
1043 2 consecutive weeks, except that the first publication shall be
1044 no less than 15 days prior to the date of the hearing. The
1045 notice shall further contain a designation of the day, time, and
1046 place of the public hearing. At the time and place designated in
1047 the notice, the board shall hear all objections to the budget as
1048 proposed and may make such changes as the board deems necessary.
1049 At the conclusion of the budget hearing, the board shall, by
1050 resolution, adopt the budget as finally approved by the board.

1051 The budget shall be adopted prior to October 1 of each year.

1052 (c) At least 60 days prior to adoption, the board of
 1053 supervisors of the district shall submit to the City Commission
 1054 of the City of North Port, for purposes of disclosure and
 1055 information only, the proposed annual budget for the ensuing
 1056 fiscal year, and the commission may submit written comments to
 1057 the board of supervisors solely for the assistance and
 1058 information of the board of supervisors of the district in
 1059 adopting its annual district budget.

1060 (d) The board of supervisors of the district shall submit
 1061 annually a public facilities report to the City Commission of
 1062 the City of North Port pursuant to Florida Statutes. The
 1063 commission may use and rely on the district's public facilities
 1064 report in the preparation or revision of the City of North Port
 1065 comprehensive plan.

1066 (5) DISCLOSURE OF PUBLIC INFORMATION; WEB-BASED PUBLIC
 1067 ACCESS.—The district shall take affirmative steps to provide for
 1068 the full disclosure of information relating to the public
 1069 financing and maintenance of improvements to real property
 1070 undertaken by the district. Such information shall be made
 1071 available to all existing residents and all prospective
 1072 residents of the district. The district shall furnish each
 1073 developer of a residential development within the district with
 1074 sufficient copies of that information to provide each
 1075 prospective initial purchaser of property in that development

HB 1117

2024

1076 with a copy; and any developer of a residential development
1077 within the district, when required by law to provide a public
1078 offering statement, shall include a copy of such information
1079 relating to the public financing and maintenance of improvements
1080 in the public offering statement. The district shall file the
1081 disclosure documents required by this subsection and any
1082 amendments thereto in the property records of each county in
1083 which the district is located. By the end of the first full
1084 fiscal year of the district's creation, the district shall
1085 maintain an official Internet website in accordance with s.
1086 189.069, Florida Statutes.

1087 (6) GENERAL POWERS.—The district shall have, and the board
1088 may exercise, the following general powers:

1089 (a) To sue and be sued in the name of the district; to
1090 adopt and use a seal and authorize the use of a facsimile
1091 thereof; to acquire, by purchase, gift, devise, or otherwise,
1092 and to dispose of, real and personal property, or any estate
1093 therein; and to make and execute contracts and other instruments
1094 necessary or convenient to the exercise of its powers.

1095 (b) To apply for coverage of its employees under the
1096 Florida Retirement System in the same manner as if such
1097 employees were state employees.

1098 (c) To contract for the services of consultants to perform
1099 planning, engineering, legal, or other appropriate services of a
1100 professional nature. Such contracts shall be subject to public

1101 bidding or competitive negotiation requirements as set forth in
1102 general law applicable to independent special districts.

1103 (d) To borrow money and accept gifts; to apply for and use
1104 grants or loans of money or other property from the United
1105 States, the state, a unit of local government, or any person for
1106 any district purposes and enter into agreements required in
1107 connection therewith; and to hold, use, and dispose of such
1108 moneys or property for any district purposes in accordance with
1109 the terms of the gift, grant, loan, or agreement relating
1110 thereto.

1111 (e) To adopt and enforce rules and orders pursuant to
1112 chapter 120, Florida Statutes, prescribing the powers, duties,
1113 and functions of the officers of the district; the conduct of
1114 the business of the district; the maintenance of records; and
1115 the form of certificates evidencing tax liens and all other
1116 documents and records of the district. The board may also adopt
1117 and enforce administrative rules with respect to any of the
1118 projects of the district and define the area to be included
1119 therein. The board may also adopt resolutions which may be
1120 necessary for the conduct of district business.

1121 (f) To maintain an office at such place or places as the
1122 board of supervisors designates in Sarasota County and within
1123 the district when facilities are available.

1124 (g) To hold, control, and acquire by donation, purchase,
1125 or condemnation, or dispose of, any public easements,

HB 1117

2024

1126 dedications to public use, platted reservations for public
1127 purposes, or any reservations for those purposes authorized by
1128 this act and to make use of such easements, dedications, or
1129 reservations for the purposes authorized by this act.

1130 (h) To lease as lessor or lessee to or from any person,
1131 firm, corporation, association, or body, public or private, any
1132 projects of the type that the district is authorized to
1133 undertake and facilities or property of any nature for the use
1134 of the district to carry out the purposes authorized by this
1135 act.

1136 (i) To borrow money and issue bonds, certificates,
1137 warrants, notes, or other evidence of indebtedness as provided
1138 herein; to levy such taxes and assessments as may be authorized;
1139 and to charge, collect, and enforce fees and other user charges.

1140 (j) To raise, by user charges or fees authorized by
1141 resolution of the board, amounts of money which are necessary
1142 for the conduct of district activities and services and to
1143 enforce their receipt and collection in the manner prescribed by
1144 resolution not inconsistent with law.

1145 (k) To exercise all powers of eminent domain now or
1146 hereafter conferred on counties in this state, provided,
1147 however, that such power of eminent domain may not be exercised
1148 outside the territorial limits of the district unless the
1149 district receives prior approval by vote of a resolution of the
1150 governing body of the county if the taking will occur in an

1151 unincorporated area in that county, or the governing body of the
 1152 city if the taking will occur in an incorporated area. The
 1153 district shall not have the power to exercise eminent domain
 1154 over municipal, county, state, or federal property. The powers
 1155 hereinabove granted to the district shall be so construed to
 1156 enable the district to fulfill the objects and purposes of the
 1157 district as set forth in this act.

1158 (l) To cooperate with, or contract with, other
 1159 governmental agencies as may be necessary, convenient,
 1160 incidental, or proper in connection with any of the powers,
 1161 duties, or purposes authorized by this act.

1162 (m) To assess and to impose upon lands in the district ad
 1163 valorem taxes as provided by this act.

1164 (n) If and when authorized by general law, to determine,
 1165 order, levy, impose, collect, and enforce maintenance taxes.

1166 (o) To determine, order, levy, impose, collect, and
 1167 enforce assessments pursuant to this act and chapter 170,
 1168 Florida Statutes, as amended from time to time, pursuant to
 1169 authority granted in s. 197.3631, Florida Statutes, or pursuant
 1170 to other provisions of general law now or hereinafter enacted
 1171 which provide or authorize a supplemental means to order, levy,
 1172 impose, or collect special assessments. Such special
 1173 assessments, in the discretion of the district, may be collected
 1174 and enforced pursuant to ss. 197.3632 and 197.3635, Florida
 1175 Statutes, and chapters 170 and 173, Florida Statutes, as they

HB 1117

2024

1176 may be amended from time to time, or as provided by this act, or
 1177 by other means authorized by general law now or hereinafter
 1178 enacted. The district may levy such special assessments for the
 1179 purposes enumerated in this act and to pay special assessments
 1180 imposed by the City of North Port on lands within the district.

1181 (p) To exercise such special powers and other express
 1182 powers as may be authorized and granted by this act in the
 1183 charter of the district, including powers as provided in any
 1184 interlocal agreement entered into pursuant to chapter 163,
 1185 Florida Statutes, or which shall be required or permitted to be
 1186 undertaken by the district pursuant to any development order,
 1187 including any detailed specific area plan development order, or
 1188 any interlocal service agreement with the City of North Port or
 1189 other unit of government for fair-share capital construction
 1190 funding for any certain capital facilities or systems required
 1191 of a developer pursuant to any applicable development order or
 1192 agreement.

1193 (q) To exercise all of the powers necessary, convenient,
 1194 incidental, or proper in connection with any other powers or
 1195 duties or the special and limited purpose of the district
 1196 authorized by this act.

1197
 1198 This subsection shall be construed liberally in order to carry
 1199 out effectively the special and limited purpose of this act.

1200 (7) SPECIAL POWERS.—The district shall have, and the board

1201 may exercise, the following special powers to implement its
 1202 lawful and special purpose and to provide, pursuant to that
 1203 purpose, systems, facilities, services, improvements, projects,
 1204 works, and infrastructure, each of which constitutes a lawful
 1205 public purpose when exercised pursuant to this charter, subject
 1206 to, and not inconsistent with, general law regarding utility
 1207 providers' territorial and service agreements, the regulatory
 1208 jurisdiction and permitting authority of all other applicable
 1209 governmental bodies, agencies, and any special districts having
 1210 authority with respect to any area included therein, and to
 1211 plan, establish, acquire, construct or reconstruct, enlarge or
 1212 extend, equip, operate, finance, fund, and maintain
 1213 improvements, systems, facilities, services, works, projects,
 1214 and infrastructure. Any or all of the following special powers
 1215 are granted by this act in order to implement the special and
 1216 limited purpose of the district but do not constitute
 1217 obligations to undertake such improvements, systems, facilities,
 1218 services, works, projects, or infrastructure:

1219 (a) To provide water management and control for the lands
 1220 within the district, including irrigation systems and
 1221 facilities, and to connect some or any of such facilities with
 1222 roads and bridges. In the event that the board assumes the
 1223 responsibility for providing water management and control for
 1224 the district which is to be financed by benefit special
 1225 assessments, the board shall adopt plans and assessments

HB 1117

2024

1226 pursuant to law or may proceed to adopt water management and
1227 control plans, assess for benefits, and apportion and levy
1228 special assessments, as follows:

1229 1. The board shall cause to be made by the district's
1230 engineer, or such other engineer or engineers as the board may
1231 employ for that purpose, complete and comprehensive water
1232 management and control plans for the lands located within the
1233 district that will be improved in any part or in whole by any
1234 system of facilities that may be outlined and adopted, and the
1235 engineer shall make a report in writing to the board with maps
1236 and profiles of said surveys and an estimate of the cost of
1237 carrying out and completing the plans.

1238 2. Upon the completion of such plans, the board shall hold
1239 a hearing thereon to hear objections thereto, shall give notice
1240 of the time and place fixed for such hearing by publication once
1241 each week for 2 consecutive weeks in a newspaper of general
1242 circulation in the general area of the district, and shall
1243 permit the inspection of the plan at the office of the district
1244 by all persons interested. All objections to the plan shall be
1245 filed at or before the time fixed in the notice for the hearing
1246 and shall be in writing.

1247 3. After the hearing, the board shall consider the
1248 proposed plan and any objections thereto and may modify, reject,
1249 or adopt the plan or continue the hearing until a day certain
1250 for further consideration of the proposed plan or modifications

1251 thereof.

1252 4. When the board approves a plan, a resolution shall be
 1253 adopted and a certified copy thereof shall be filed in the
 1254 office of the secretary and incorporated by him or her into the
 1255 records of the district.

1256 5. The water management and control plan may be altered in
 1257 detail from time to time until the engineer's report pursuant to
 1258 s. 298.301, Florida Statutes, is filed but not in such manner as
 1259 to affect materially the conditions of its adoption. After the
 1260 engineer's report has been filed, no alteration of the plan
 1261 shall be made, except as provided by this act.

1262 6. Within 20 days after the final adoption of the plan by
 1263 the board, the board shall proceed pursuant to s. 298.301,
 1264 Florida Statutes.

1265 (b) To provide water supply, sewer, wastewater, and
 1266 reclaimed water management, reclamation, and reuse, or any
 1267 combination thereof, and any irrigation systems, facilities, and
 1268 services and to construct and operate water systems, sewer
 1269 systems, irrigation systems, and reclaimed water systems such as
 1270 connecting intercepting or outlet sewers and sewer mains and
 1271 pipes and water mains, conduits, or pipelines in, along, and
 1272 under any street, alley, highway, or other public place or ways,
 1273 and to dispose of any water, effluent, residue, or other
 1274 byproducts of such water system, sewer system, irrigation
 1275 system, or reclaimed water system and to enter into interlocal

1276 agreements and other agreements with public or private entities
 1277 for the same.

1278 (c) To provide bridges, culverts, wildlife corridors, or
 1279 road crossings that may be needed across any drain, ditch,
 1280 canal, floodway, holding basin, excavation, public highway,
 1281 tract, grade, fill, or cut and roadways over levees and
 1282 embankments, and to construct any and all of such works and
 1283 improvements across, through, or over any public right-of-way,
 1284 highway, grade, fill, or cut.

1285 (d) To provide district or other roads equal to or
 1286 exceeding the specifications of the county in which such
 1287 district or other roads are located, and to provide street
 1288 lights. This special power includes, but is not limited to,
 1289 roads, parkways, intersections, bridges, landscaping,
 1290 hardscaping, irrigation, bicycle lanes, sidewalks, jogging
 1291 paths, multiuse pathways and trails, street lighting, traffic
 1292 signals, regulatory or informational signage, road striping,
 1293 underground conduit, underground cable or fiber or wire
 1294 installed pursuant to an agreement with or tariff of a retail
 1295 provider of services, and all other customary elements of a
 1296 functioning modern road system in general or as tied to the
 1297 conditions of development approval for the area within and
 1298 without the district, and parking facilities that are
 1299 freestanding or that may be related to any innovative strategic
 1300 intermodal system of transportation pursuant to applicable

1301 federal, state, and local law and ordinance.

1302 (e) To provide buses, trolleys, rail access, mass transit
 1303 facilities, transit shelters, ridesharing facilities and
 1304 services, parking improvements, and related signage.

1305 (f) To provide investigation and remediation costs
 1306 associated with the cleanup of actual or perceived environmental
 1307 contamination within the district under the supervision or
 1308 direction of a competent governmental authority unless the
 1309 covered costs benefit any person who is a landowner within the
 1310 district and who caused or contributed to the contamination.

1311 (g) To provide observation areas, mitigation areas,
 1312 wetland creation areas, and wildlife habitat, including the
 1313 maintenance of any plant or animal species, and any related
 1314 interest in real or personal property.

1315 (h) Using its general and special powers as set forth in
 1316 this act, to provide any other project within or without the
 1317 boundaries of the district when the project is the subject of an
 1318 agreement between the district and the City Commission of the
 1319 City of North Port or with any other applicable public or
 1320 private entity and is not inconsistent with the effective local
 1321 comprehensive plans.

1322 (i) To provide parks and facilities for indoor and outdoor
 1323 recreational, cultural, and educational uses.

1324 (j) To provide school buildings and related structures,
 1325 which may be leased, sold, or donated to the school district,

HB 1117

2024

1326 for use in the educational system when authorized by the
1327 district school board.

1328 (k) To provide security, including electronic intrusion-
1329 detection systems and patrol vehicles, when authorized by proper
1330 governmental agencies, and to contract with the appropriate
1331 local general-purpose government agencies for an increased level
1332 of such services within the district boundaries. However, this
1333 paragraph does not prohibit the district from contracting with a
1334 towing operator to remove a vehicle or vessel from a district-
1335 owned facility or property if the district follows the
1336 authorization and notice and procedural requirements in s.
1337 715.07, Florida Statutes, for an owner or lessee of private
1338 property. The district's selection of a towing operator is not
1339 subject to public bidding if the towing operator is included in
1340 an approved list of town operators maintained by the local
1341 government that has jurisdiction over the district's facility or
1342 property.

1343 (l) To provide control and elimination of mosquitoes and
1344 other arthropods of public health importance.

1345 (m) To enter into impact fee, mobility fee, or other
1346 similar credit agreements with the City of North Port or other
1347 governmental bodies or a landowner developer and to sell or
1348 assign such credits, on such terms as the district deems
1349 appropriate.

1350 (n) To provide buildings and structures for district

HB 1117

2024

1351 offices, maintenance facilities, meeting facilities, town
1352 centers, stadiums, or any other project authorized or granted by
1353 this act.

1354 (o) To establish and create, at noticed meetings, such
1355 departments of the board of supervisors of the district, as well
1356 as committees, task forces, boards, or commissions, or other
1357 agencies under the supervision and control of the district, as
1358 from time to time the members of the board may deem necessary or
1359 desirable in the performance of the acts or other things
1360 necessary to exercise the board's general or special powers to
1361 implement an innovative project to carry out the special and
1362 limited purpose of the district as provided in this act and to
1363 delegate the exercise of its powers to such departments, boards,
1364 task forces, committees, or other agencies, and such
1365 administrative duties and other powers as the board may deem
1366 necessary or desirable, but only if there is a set of expressed
1367 limitations for accountability, notice, and periodic written
1368 reporting to the board that shall retain the powers of the
1369 board.

1370 (p) To provide electrical, sustainable, or green
1371 infrastructure improvements, facilities, and services,
1372 including, but not limited to, recycling of natural resources,
1373 reduction of energy demands, development and generation of
1374 alternative or renewable energy sources and technologies,
1375 mitigation of urban heat islands, sequestration, capping or

1376 trading of carbon emissions or carbon emissions credits, LEED or
1377 Florida Green Building Coalition certification, and development
1378 of facilities and improvements for low-impact development, and
1379 to enter into joint ventures, public-private partnerships, and
1380 other agreements and to grant such easements as may be necessary
1381 to accomplish the foregoing. Nothing herein shall authorize the
1382 district to provide electric service to retail customers or
1383 otherwise act to impair electric utility franchise agreements.

1384 (q) To provide for any facilities or improvements that may
1385 otherwise be provided for by any county or municipality,
1386 including, but not limited to, libraries, annexes, substations,
1387 and other buildings to house public officials, staff, and
1388 employees.

1389 (r) To provide waste collection and disposal.

1390 (s) To provide for the construction and operation of
1391 communications systems and related infrastructure for the
1392 carriage and distribution of communications services, and to
1393 enter into joint ventures, public-private partnerships, and
1394 other agreements and to grant such easements as may be necessary
1395 to accomplish the foregoing. The term "communications systems"
1396 means all facilities, buildings, equipment, items, and methods
1397 necessary or desirable in order to provide communications
1398 services, including, without limitation, wires, cables,
1399 conduits, wireless cell sites, computers, modems, satellite
1400 antennae sites, transmission facilities, network facilities, and

1401 appurtenant devices necessary and appropriate to support the
 1402 provision of communications services. The term "communications
 1403 services" includes, without limitation, Internet, voice
 1404 telephone or similar services provided by voice-over-Internet
 1405 protocol, cable television, data transmission services,
 1406 electronic security monitoring services, and multichannel video
 1407 programming distribution services. Nothing herein shall
 1408 authorize the district to provide communications services to
 1409 retail customers or otherwise act to impair existing service
 1410 provider franchise agreements, though the district may contract
 1411 with such providers for resale purposes.

1412 (t) To provide health care facilities and to enter into
 1413 public-private partnerships and agreements as may be necessary
 1414 to accomplish the foregoing.

1415 (u) To coordinate, work with, and, as the board deems
 1416 appropriate, enter into interlocal agreements with any public or
 1417 private entity for the provision of an institution or
 1418 institutions of higher education.

1419 (v) To coordinate, work with, and, as the board deems
 1420 appropriate, enter into public-private partnerships and
 1421 agreements as may be necessary or useful to effectuate the
 1422 purposes of this act.

1423
 1424 The enumeration of special powers herein shall not be deemed
 1425 exclusive or restrictive but shall be deemed to incorporate all

HB 1117

2024

1426 powers, express or implied, necessary or incidental to carrying
1427 out such enumerated special powers, including also the general
1428 powers provided by this special act charter to the district to
1429 implement its purposes. Further, this subsection shall be
1430 construed liberally in order to carry out effectively the
1431 special and limited purpose of this district under this act.

1432 (8) ISSUANCE OF BOND ANTICIPATION NOTES.—In addition to
1433 the other powers provided for in this act, and not in limitation
1434 thereof, the district shall have the power, at any time and from
1435 time to time after the issuance of any bonds of the district
1436 shall have been authorized, to borrow money for the purposes for
1437 which such bonds are to be issued in anticipation of the receipt
1438 of the proceeds of the sale of such bonds and to issue bond
1439 anticipation notes in a principal sum not in excess of the
1440 authorized maximum amount of such bond issue. Such notes shall
1441 be in such denomination or denominations, bear interest at such
1442 rate, not to exceed the maximum rate allowed by general law,
1443 mature at such time or times not later than 5 years from the
1444 date of issuance, and be in such form and executed in such
1445 manner as the board shall prescribe. Such notes may be sold at
1446 either public or private sale or, if such notes shall be renewal
1447 notes, may be exchanged for notes then outstanding on such terms
1448 as the board shall determine. Such notes shall be paid from the
1449 proceeds of such bonds when issued. The board may, in its
1450 discretion, in lieu of retiring the notes by means of bonds,

HB 1117

2024

1451 retire them by means of current revenues or from any taxes or
1452 assessments levied for the payment of such bonds, but, in such
1453 event, a like amount of the bonds authorized shall not be
1454 issued.

1455 (9) BORROWING.—The district at any time may obtain loans,
1456 in such amount and on such terms and conditions as the board may
1457 approve, for the purpose of paying any of the expenses of the
1458 district or any costs incurred or that may be incurred in
1459 connection with any of the projects of the district, which loans
1460 shall bear interest as the board determines, not to exceed the
1461 maximum rate allowed by general law, and may be payable from and
1462 secured by a pledge of such funds, revenues, taxes, and
1463 assessments as the board may determine, subject, however, to the
1464 provisions contained in any proceeding under which bonds were
1465 theretofore issued and are then outstanding. For the purpose of
1466 defraying such costs and expenses, the district may issue
1467 negotiable notes, warrants, or other evidences of debt to be
1468 payable at such times and to bear such interest as the board may
1469 determine, not to exceed the maximum rate allowed by general
1470 law, and to be sold or discounted at such price or prices not
1471 less than 95 percent of par value and on such terms as the board
1472 may deem advisable. The board shall have the right to provide
1473 for the payment thereof by pledging the whole or any part of the
1474 funds, revenues, taxes, and assessments of the district or by
1475 covenanting to budget and appropriate from such funds. The

1476 approval of the electors residing in the district shall not be
 1477 necessary except when required by the State Constitution.

1478 (10) BONDS.—

1479 (a) Sale of bonds.—Bonds may be sold in blocks or
 1480 installments at different times, or an entire issue or series
 1481 may be sold at one time. Bonds may be sold at public or private
 1482 sale after such advertisement, if any, as the board may deem
 1483 advisable, but not in any event at less than 90 percent of the
 1484 par value thereof, together with accrued interest thereon. Bonds
 1485 may be sold or exchanged for refunding bonds. Special assessment
 1486 and revenue bonds may be delivered by the district as payment of
 1487 the purchase price of any project or part thereof, or a
 1488 combination of projects or parts thereof, or as the purchase
 1489 price or exchange for any property, real, personal, or mixed,
 1490 including franchises or services rendered by any contractor,
 1491 engineer, or other person, all at one time or in blocks from
 1492 time to time, in such manner and upon such terms as the board in
 1493 its discretion shall determine. The price or prices for any
 1494 bonds sold, exchanged, or delivered may be:

1495 1. The money paid for the bonds.

1496 2. The principal amount, plus accrued interest to the date
 1497 of redemption or exchange, or outstanding obligations exchanged
 1498 for refunding bonds.

1499 3. In the case of special assessment or revenue bonds, the
 1500 amount of any indebtedness to contractors or other persons paid

HB 1117

2024

1501 with such bonds, or the fair value of any properties exchanged
1502 for the bonds, as determined by the board.

1503 (b) Authorization and form of bonds.—Any general
1504 obligation bonds, special assessment bonds, or revenue bonds may
1505 be authorized by resolution or resolutions of the board which
1506 shall be adopted by a majority of all the members thereof then
1507 in office. Such resolution or resolutions may be adopted at the
1508 same meeting at which they are introduced and need not be
1509 published or posted. The board may, by resolution, authorize the
1510 issuance of bonds and fix the aggregate amount of bonds to be
1511 issued; the purpose or purposes for which the moneys derived
1512 therefrom shall be expended, including, but not limited to,
1513 payment of costs as defined in section 2(2)(h); the rate or
1514 rates of interest, not to exceed the maximum rate allowed by
1515 general law; the denomination of the bonds; whether the bonds
1516 are to be issued in one or more series; the date or dates of
1517 maturity, which shall not exceed 40 years from their respective
1518 dates of issuance; the medium of payment; the place or places
1519 within or without the state at which payment shall be made;
1520 registration privileges; redemption terms and privileges,
1521 whether with or without premium; the manner of execution; the
1522 form of the bonds, including any interest coupons to be attached
1523 thereto; the manner of execution of bonds and coupons; and any
1524 and all other terms, covenants, and conditions thereof and the
1525 establishment of revenue or other funds. Such authorizing

HB 1117

2024

1526 resolution or resolutions may further provide for the contracts
1527 authorized by s. 159.825(1) (f) and (g), Florida Statutes,
1528 regardless of the tax treatment of such bonds being authorized,
1529 subject to the finding by the board of a net saving to the
1530 district resulting by reason thereof. Such authorizing
1531 resolution may further provide that such bonds may be executed
1532 in accordance with the Registered Public Obligations Act, except
1533 that bonds not issued in registered form shall be valid if
1534 manually countersigned by an officer designated by appropriate
1535 resolution of the board. The seal of the district may be
1536 affixed, lithographed, engraved, or otherwise reproduced in
1537 facsimile on such bonds. In case any officer whose signature
1538 shall appear on any bonds or coupons shall cease to be such
1539 officer before the delivery of such bonds, such signature or
1540 facsimile shall nevertheless be valid and sufficient for all
1541 purposes the same as if he or she had remained in office until
1542 such delivery.

1543 (c) Interim certificates; replacement certificates.—
1544 Pending the preparation of definitive bonds, the board may issue
1545 interim certificates or receipts or temporary bonds, in such
1546 form and with such provisions as the board may determine,
1547 exchangeable for definitive bonds when such bonds have been
1548 executed and are available for delivery. The board may also
1549 provide for the replacement of any bonds which become mutilated,
1550 lost, or destroyed.

HB 1117

2024

1551 (d) Negotiability of bonds.—Any bond issued under this act
1552 or any temporary bond, in the absence of an express recital on
1553 the face thereof that it is nonnegotiable, shall be fully
1554 negotiable and shall be and constitute a negotiable instrument
1555 within the meaning and for all purposes of the law merchant and
1556 the laws of the state.

1557 (e) Defeasance.—The board may make such provision with
1558 respect to the defeasance of the right, title, and interest of
1559 the holders of any of the bonds and obligations of the district
1560 in any revenues, funds, or other properties by which such bonds
1561 are secured as the board deems appropriate and, without
1562 limitation on the foregoing, may provide that when such bonds or
1563 obligations become due and payable or shall have been called for
1564 redemption and the whole amount of the principal and interest
1565 and premium, if any, due and payable upon the bonds or
1566 obligations then outstanding shall be held in trust for such
1567 purpose, and provision shall also be made for paying all other
1568 sums payable in connection with such bonds or other obligations,
1569 then and in such event the right, title, and interest of the
1570 holders of the bonds in any revenues, funds, or other properties
1571 by which such bonds are secured shall thereupon cease,
1572 terminate, and become void; and the board may apply any surplus
1573 in any sinking fund established in connection with such bonds or
1574 obligations and all balances remaining in all other funds or
1575 accounts other than moneys held for the redemption or payment of

HB 1117

2024

1576 the bonds or other obligations to any lawful purpose of the
1577 district as the board shall determine.

1578 (f) Issuance of additional bonds.—If the proceeds of any
1579 bonds are less than the cost of completing the project in
1580 connection with which such bonds were issued, the board may
1581 authorize the issuance of additional bonds, upon such terms and
1582 conditions as the board may provide in the resolution
1583 authorizing the issuance thereof, but only in compliance with
1584 the resolution or other proceedings authorizing the issuance of
1585 the original bonds.

1586 (g) Refunding bonds.—The district shall have the power to
1587 issue bonds to provide for the retirement or refunding of any
1588 bonds or obligations of the district that at the time of such
1589 issuance are or subsequent thereto become due and payable, or
1590 that at the time of issuance have been called or are, or will
1591 be, subject to call for redemption within 10 years thereafter,
1592 or the surrender of which can be procured from the holders
1593 thereof at prices satisfactory to the board. Refunding bonds may
1594 be issued at any time that in the judgment of the board such
1595 issuance will be advantageous to the district. No approval of
1596 the qualified electors residing in the district shall be
1597 required for the issuance of refunding bonds except in cases in
1598 which such approval is required by the State Constitution. The
1599 board may by resolution confer upon the holders of such
1600 refunding bonds all rights, powers, and remedies to which the

1601 holders would be entitled if they continued to be the owners and
 1602 had possession of the bonds for the refinancing of which such
 1603 refunding bonds are issued, including, but not limited to, the
 1604 preservation of the lien of such bonds on the revenues of any
 1605 project or on pledged funds, without extinguishment, impairment,
 1606 or diminution thereof. The provisions of this act pertaining to
 1607 bonds of the district shall, unless the context otherwise
 1608 requires, govern the issuance of refunding bonds, the form and
 1609 other details thereof, the rights of the holders thereof, and
 1610 the duties of the board with respect thereto.

1611 (h) Revenue bonds.—

1612 1. The district shall have the power to issue revenue
 1613 bonds from time to time without limitation as to amount. Such
 1614 revenue bonds may be secured by, or payable from, the gross or
 1615 net pledge of the revenues to be derived from any project or
 1616 combination of projects; from the rates, fees, or other charges
 1617 to be collected from the users of any project or projects; from
 1618 any revenue-producing undertaking or activity of the district;
 1619 from special assessments; from benefit special assessments; or
 1620 from any other source or pledged security. Such bonds shall not
 1621 constitute an indebtedness of the district, and the approval of
 1622 the qualified electors shall not be required unless such bonds
 1623 are additionally secured by the full faith and credit and taxing
 1624 power of the district.

1625 2. Any two or more projects may be combined and

HB 1117

2024

1626 consolidated into a single project and may hereafter be operated
1627 and maintained as a single project. The revenue bonds authorized
1628 herein may be issued to finance any one or more of such
1629 projects, regardless of whether such projects have been combined
1630 and consolidated into a single project. If the board deems it
1631 advisable, the proceedings authorizing such revenue bonds may
1632 provide that the district may thereafter combine the projects
1633 then being financed or theretofore financed with other projects
1634 to be subsequently financed by the district and that revenue
1635 bonds to be thereafter issued by the district shall be on parity
1636 with the revenue bonds then being issued, all on such terms,
1637 conditions, and limitations as shall have been provided in the
1638 proceeding which authorized the original bonds.

1639 (i) General obligation bonds.—

1640 1. Subject to the limitations of this charter, the
1641 district shall have the power from time to time to issue general
1642 obligation bonds to finance or refinance capital projects or to
1643 refund outstanding bonds in an aggregate principal amount of
1644 bonds outstanding at any one time not in excess of 35 percent of
1645 the assessed value of the taxable property within the district
1646 as shown on the pertinent tax records at the time of the
1647 authorization of the general obligation bonds for which the full
1648 faith and credit of the district is pledged. Except for
1649 refunding bonds, no general obligation bonds shall be issued
1650 unless the bonds are issued to finance or refinance a capital

HB 1117

2024

1651 project and the issuance has been approved at an election held
1652 in accordance with the requirements for such election as
1653 prescribed by the State Constitution. Such elections shall be
1654 called to be held in the district by the Sarasota County
1655 Supervisor of Elections upon the request of the board of the
1656 district. The expenses of calling and holding an election shall
1657 be at the expense of the district, and the district shall
1658 reimburse the county for any expenses incurred in calling or
1659 holding such election.

1660 2. The district may pledge its full faith and credit for
1661 the payment of the principal and interest on such general
1662 obligation bonds and for any reserve funds provided therefor and
1663 may unconditionally and irrevocably pledge itself to levy ad
1664 valorem taxes on all taxable property in the district, to the
1665 extent necessary for the payment thereof, without limitation as
1666 to rate or amount.

1667 3. If the board determines to issue general obligation
1668 bonds for more than one capital project, the approval of the
1669 issuance of the bonds for each and all such projects may be
1670 submitted to the electors on one and the same ballot. The
1671 failure of the electors to approve the issuance of bonds for any
1672 one or more capital projects shall not defeat the approval of
1673 bonds for any capital project which has been approved by the
1674 electors.

1675 4. In arriving at the amount of general obligation bonds

1676 permitted to be outstanding at any one time pursuant to
 1677 subparagraph 1., there shall not be included any general
 1678 obligation bonds that are additionally secured by the pledge of:

1679 a. Any assessments levied in an amount sufficient to pay
 1680 the principal and interest on the general obligation bonds so
 1681 additionally secured, which assessments have been equalized and
 1682 confirmed by resolution of the board pursuant to this act or s.
 1683 170.08, Florida Statutes.

1684 b. Water revenues, sewer revenues, or water and sewer
 1685 revenues of the district to be derived from user fees in an
 1686 amount sufficient to pay the principal and interest on the
 1687 general obligation bonds so additionally secured.

1688 c. Any combination of assessments and revenues described
 1689 in sub-subparagraphs a. and b.

1690 (j) Bonds as legal investment or security.-

1691 1. Notwithstanding any provisions of any other law to the
 1692 contrary, all bonds issued under this act shall constitute legal
 1693 investments for savings banks, banks, trust companies, insurance
 1694 companies, executors, administrators, trustees, guardians, and
 1695 other fiduciaries and for any board, body, agency,
 1696 instrumentality, county, municipality, or other political
 1697 subdivision of the state and shall be and constitute security
 1698 which may be deposited by banks or trust companies as security
 1699 for deposits of state, county, municipal, or other public funds
 1700 or by insurance companies as required or voluntary statutory

1701 deposits.

1702 2. Any bonds issued by the district shall be incontestable

1703 in the hands of bona fide purchasers or holders for value and

1704 shall not be invalid because of any irregularity or defect in

1705 the proceedings for the issue and sale thereof.

1706 (k) Covenants.—Any resolution authorizing the issuance of

1707 bonds may contain such covenants as the board may deem

1708 advisable, and all such covenants shall constitute valid and

1709 legally binding and enforceable contracts between the district

1710 and the bondholders, regardless of the time of issuance thereof.

1711 Such covenants may include, without limitation, covenants

1712 concerning the disposition of the bond proceeds; the use and

1713 disposition of project revenues; the pledging of revenues,

1714 taxes, and assessments; the obligations of the district with

1715 respect to the operation of the project and the maintenance of

1716 adequate project revenues; the issuance of additional bonds; the

1717 appointment, powers, and duties of trustees and receivers; the

1718 acquisition of outstanding bonds and obligations; restrictions

1719 on the establishing of competing projects or facilities;

1720 restrictions on the sale or disposal of the assets and property

1721 of the district; the priority of assessment liens; the priority

1722 of claims by bondholders on the taxing power of the district;

1723 the maintenance of deposits to ensure the payment of revenues by

1724 users of district facilities and services; the discontinuance of

1725 district services by reason of delinquent payments; acceleration

HB 1117

2024

1726 upon default; the execution of necessary instruments; the
1727 procedure for amending or abrogating covenants with the
1728 bondholders; and such other covenants as may be deemed necessary
1729 or desirable for the security of the bondholders.

1730 (l) Validation proceedings.—The power of the district to
1731 issue bonds under this act may be determined, and any of the
1732 bonds of the district maturing over a period of more than 5
1733 years shall be validated and confirmed, by court decree, under
1734 chapter 75, Florida Statutes, and laws amendatory thereof or
1735 supplementary thereto.

1736 (m) Tax exemption.—To the extent allowed by general law,
1737 all bonds issued hereunder and interest paid thereon and all
1738 fees, charges, and other revenues derived by the district from
1739 the projects provided by this act are exempt from all taxes by
1740 the state or by any political subdivision, agency, or
1741 instrumentality thereof; however, any interest, income, or
1742 profits on debt obligations issued hereunder are not exempt from
1743 the tax imposed by chapter 220, Florida Statutes. Further, the
1744 district is not exempt from chapter 212, Florida Statutes.

1745 (n) Application of s. 189.051, Florida Statutes.—Bonds
1746 issued by the district shall meet the criteria set forth in s.
1747 189.051, Florida Statutes.

1748 (o) Act furnishes full authority for issuance of bonds.—
1749 This act constitutes full and complete authority for the
1750 issuance of bonds and the exercise of the powers of the district

HB 1117

2024

1751 provided herein. No procedures or proceedings, publications,
1752 notices, consents, approvals, orders, acts, or things by the
1753 board, or any board, officer, commission, department, agency, or
1754 instrumentality of the district, other than those required by
1755 this act, shall be required to perform anything under this act,
1756 except that the issuance or sale of bonds pursuant to this act
1757 shall comply with the general law requirements applicable to the
1758 issuance or sale of bonds by the district. Nothing in this act
1759 shall be construed to authorize the district to utilize bond
1760 proceeds to fund the ongoing operations of the district.

1761 (p) Pledge by the state to the bondholders of the
1762 district.—The state pledges to the holders of any bonds issued
1763 under this act that it will not limit or alter the rights of the
1764 district to own, acquire, construct, reconstruct, improve,
1765 maintain, operate, or furnish the projects or to levy and
1766 collect the taxes, assessments, rentals, rates, fees, and other
1767 charges provided for herein and to fulfill the terms of any
1768 agreement made with the holders of such bonds or other
1769 obligations and that it will not in any way impair the rights or
1770 remedies of such holders.

1771 (q) Default.—A default on the bonds or obligations of the
1772 district shall not constitute a debt or obligation of the state
1773 or any general-purpose local government of the state. In the
1774 event of a default or dissolution of the district, no general-
1775 purpose local government shall be required to assume the

HB 1117

2024

1776 property of the district, the debts of the district, or the
1777 district's obligations to complete any infrastructure
1778 improvements or provide any services to the district. The
1779 provisions of s. 189.076(2), Florida Statutes, shall not apply
1780 to the district.

1781 (11) TRUST AGREEMENTS.—Any issue of bonds shall be secured
1782 by a trust agreement or resolution by and between the district
1783 and a corporate trustee or trustees, which may be any trust
1784 company or bank having the powers of a trust company within or
1785 without the state. The resolution authorizing the issuance of
1786 the bonds or such trust agreement may pledge the revenues to be
1787 received from any projects of the district and may contain such
1788 provisions for protecting and enforcing the rights and remedies
1789 of the bondholders as the board may approve, including, without
1790 limitation, covenants setting forth the duties of the district
1791 in relation to: the acquisition, construction, reconstruction,
1792 improvement, maintenance, repair, operation, and insurance of
1793 any projects; the fixing and revising of the rates, fees, and
1794 charges; and the custody, safeguarding, and application of all
1795 moneys and for the employment of consulting engineers in
1796 connection with such acquisition, construction, reconstruction,
1797 improvement, maintenance, repair, or operation. It shall be
1798 lawful for any bank or trust company within or without the state
1799 which may act as a depository of the proceeds of bonds or of
1800 revenues to furnish such indemnifying bonds or to pledge such

HB 1117

2024

1801 securities as may be required by the district. Such resolution
1802 or trust agreement may set forth the rights and remedies of the
1803 bondholders and of the trustee, if any, and may restrict the
1804 individual right of action by bondholders. The board may provide
1805 for the payment of proceeds of the sale of the bonds and the
1806 revenues of any project to such officer, board, or depository as
1807 it may designate for the custody thereof and may provide for the
1808 method of disbursement thereof with such safeguards and
1809 restrictions as it may determine. All expenses incurred in
1810 carrying out the provisions of such resolution or trust
1811 agreement may be treated as part of the cost of operation of the
1812 project to which such resolution or trust agreement pertains.

1813 (12) AD VALOREM TAXES; ASSESSMENTS, BENEFIT SPECIAL
1814 ASSESSMENTS, MAINTENANCE SPECIAL ASSESSMENTS, AND SPECIAL
1815 ASSESSMENTS; MAINTENANCE TAXES.-

1816 (a) Ad valorem taxes.-At such time as all members of the
1817 board are qualified electors who are elected by qualified
1818 electors of the district, the board shall have the power to levy
1819 and assess an ad valorem tax on all the taxable property in the
1820 district to construct, operate, and maintain assessable
1821 improvements; to pay the principal of, and interest on, any
1822 general obligation bonds of the district; and to provide for any
1823 sinking or other funds established in connection with any such
1824 bonds. An ad valorem tax levied by the board for operating
1825 purposes, exclusive of debt service on bonds, shall not exceed 3

1826 mills. The ad valorem tax provided for herein shall be in
 1827 addition to county and all other ad valorem taxes provided for
 1828 by law. Such tax shall be assessed, levied, and collected in the
 1829 same manner and at the same time as county taxes. The levy of ad
 1830 valorem taxes must be approved by referendum as required by s.
 1831 9, Article VII of the State Constitution.

1832 (b) Benefit special assessments.—The board annually shall
 1833 determine, order, and levy the annual installment of the total
 1834 benefit special assessments for bonds issued and related
 1835 expenses to finance assessable improvements. These assessments
 1836 may be due and collected during each year county taxes are due
 1837 and collected, in which case such annual installment and levy
 1838 shall be evidenced to and certified to the property appraiser by
 1839 the board not later than August 31 of each year. Such assessment
 1840 shall be entered by the property appraiser on the county tax
 1841 rolls and shall be collected and enforced by the tax collector
 1842 in the same manner and at the same time as county taxes, and the
 1843 proceeds thereof shall be paid to the district. However, this
 1844 paragraph shall not prohibit the district in its discretion from
 1845 using the method prescribed in s. 197.3632, Florida Statutes, or
 1846 chapter 173, Florida Statutes, as each may be amended from time
 1847 to time, for collecting and enforcing these assessments. Each
 1848 annual installment of benefit special assessments shall be a
 1849 lien on the property against which assessed until paid and shall
 1850 be enforceable in like manner as county taxes. The amount of the

HB 1117

2024

1851 assessment for the exercise of the district's powers under
1852 subsections (6) and (7) shall be determined by the board based
1853 upon a report of the district's engineer and assessed by the
1854 board upon such lands, which may be part or all of the lands
1855 within the district benefited by the improvement, apportioned
1856 between benefited lands in proportion to the benefits received
1857 by each tract of land. The board may, if it determines it is in
1858 the best interests of the district, set forth in the proceedings
1859 initially levying such benefit special assessments or in
1860 subsequent proceedings a formula for the determination of an
1861 amount, which, when paid by a taxpayer with respect to any tax
1862 parcel, shall constitute a prepayment of all future annual
1863 installments of such benefit special assessments and that the
1864 payment of which amount with respect to such tax parcel shall
1865 relieve and discharge such tax parcel of the lien of such
1866 benefit special assessments and any subsequent annual
1867 installment thereof. The board may provide further that upon
1868 delinquency in the payment of any annual installment of benefit
1869 special assessments, the prepayment amount of all future annual
1870 installments of benefit special assessments as determined in the
1871 preceding sentence shall be and become immediately due and
1872 payable together with such delinquent annual installment.

1873 (c) Non-ad valorem maintenance taxes.—If and when
1874 authorized by general law, to maintain and to preserve the
1875 physical facilities and services constituting the works,

HB 1117

2024

1876 improvements, or infrastructure owned by the district pursuant
 1877 to this act, to repair and restore any one or more of them, when
 1878 needed, and to defray the current expenses of the district,
 1879 including any sum which may be required to pay state and county
 1880 ad valorem taxes on any lands which may have been purchased and
 1881 which are held by the district under this act, the board of
 1882 supervisors may, upon the completion of said systems,
 1883 facilities, services, works, improvements, or infrastructure, in
 1884 whole or in part, as may be certified to the board by the
 1885 engineer of the board, levy annually a non-ad valorem and
 1886 nonmillage tax upon each tract or parcel of land within the
 1887 district, to be known as a "maintenance tax." This non-ad
 1888 valorem maintenance tax shall be apportioned upon the basis of
 1889 the net assessments of benefits assessed as accruing from the
 1890 original construction and shall be evidenced to and certified by
 1891 the board of supervisors of the district not later than June 1
 1892 of each year to the Sarasota County tax collector and shall be
 1893 extended on the tax rolls and collected by the tax collector on
 1894 the merged collection roll of the tax collector in the same
 1895 manner and at the same time as county ad valorem taxes, and the
 1896 proceeds therefrom shall be paid to the district. This non-ad
 1897 valorem maintenance tax shall be a lien until paid on the
 1898 property against which assessed and enforceable in like manner
 1899 and of the same dignity as county ad valorem taxes.

1900 (d) Maintenance special assessments.-To maintain and

1901 preserve the facilities and projects of the district, the board
 1902 may levy a maintenance special assessment. This assessment may
 1903 be evidenced to and certified to the tax collector by the board
 1904 of supervisors not later than August 31 of each year and shall
 1905 be entered by the property appraiser on the county tax rolls and
 1906 shall be collected and enforced by the tax collector in the same
 1907 manner and at the same time as county taxes, and the proceeds
 1908 therefrom shall be paid to the district. However, this paragraph
 1909 shall not prohibit the district in its discretion from using the
 1910 method prescribed in s. 197.363, s. 197.3631, or s. 197.3632,
 1911 Florida Statutes, for collecting and enforcing these
 1912 assessments. These maintenance special assessments shall be a
 1913 lien on the property against which assessed until paid and shall
 1914 be enforceable in like manner as county taxes. The amount of the
 1915 maintenance special assessment for the exercise of the
 1916 district's powers under this section shall be determined by the
 1917 board based upon a report of the district's engineer and
 1918 assessed by the board upon such lands, which may be all of the
 1919 lands within the district benefited by the maintenance thereof,
 1920 apportioned between the benefited lands in proportion to the
 1921 benefits received by each tract of land.

1922 (e) Special assessments.—The board may levy and impose any
 1923 special assessments pursuant to this subsection.

1924 (f) Enforcement of taxes.—The collection and enforcement
 1925 of all taxes levied by the district shall be at the same time

1926 and in like manner as county taxes, and the provisions of the
 1927 laws of Florida relating to the sale of lands for unpaid and
 1928 delinquent county taxes; the issuance, sale, and delivery of tax
 1929 certificates for such unpaid and delinquent county taxes; the
 1930 redemption thereof; the issuance to individuals of tax deeds
 1931 based thereon; and all other procedures in connection therewith
 1932 shall be applicable to the district to the same extent as if
 1933 such statutory provisions were expressly set forth herein. All
 1934 taxes shall be subject to the same discounts as county taxes.

1935 (g) When unpaid tax is delinquent; penalty.—All taxes
 1936 provided for in this act shall become delinquent and bear
 1937 penalties on the amount of such taxes in the same manner as
 1938 county taxes.

1939 (h) Status of assessments.—Benefit special assessments,
 1940 maintenance special assessments, and special assessments are
 1941 hereby found and determined to be non-ad valorem assessments as
 1942 defined by s. 197.3632, Florida Statutes. Maintenance taxes are
 1943 non-ad valorem taxes and are not special assessments.

1944 (i) Assessments constitute liens; collection.—Any and all
 1945 assessments, including special assessments, benefit special
 1946 assessments, and maintenance special assessments authorized by
 1947 this section, and including special assessments as defined by
 1948 section 2(2)(aa) and granted and authorized by this subsection,
 1949 and including maintenance taxes if authorized by general law,
 1950 shall constitute a lien on the property against which assessed

1951 from the date of levy and imposition thereof until paid, coequal
 1952 with the lien of state, county, municipal, and school board
 1953 taxes. These assessments may be collected, at the district's
 1954 discretion, under authority of s. 197.3631, Florida Statutes, as
 1955 amended from time to time, by the tax collector pursuant to ss.
 1956 197.3632 and 197.3635, Florida Statutes, as amended from time to
 1957 time, or in accordance with other collection measures provided
 1958 by law. In addition to, and not in limitation of, any powers
 1959 otherwise set forth herein or in general law, these assessments
 1960 may also be enforced pursuant to chapter 173, Florida Statutes,
 1961 as amended from time to time.

1962 (j) Land owned by governmental entity.—Except as otherwise
 1963 provided by law, no levy of ad valorem taxes or non-ad valorem
 1964 assessments under this act or chapter 170 or chapter 197,
 1965 Florida Statutes, as each may be amended from time to time, or
 1966 otherwise, by a board of the district, on property of a
 1967 governmental entity that is subject to a ground lease as
 1968 described in s. 190.003(14), Florida Statutes, shall constitute
 1969 a lien or encumbrance on the underlying fee interest of such
 1970 governmental entity.

1971 (13) SPECIAL ASSESSMENTS.—

1972 (a) As an alternative method to the levy and imposition of
 1973 special assessments pursuant to chapter 170, Florida Statutes,
 1974 pursuant to the authority of s. 197.3631, Florida Statutes, or
 1975 pursuant to other provisions of general law, now or hereafter

1976 enacted, which provide a supplemental means or authority to
 1977 impose, levy, and collect special assessments as otherwise
 1978 authorized under this act, the board may levy and impose special
 1979 assessments to finance the exercise of any of its powers
 1980 permitted under this act using the following uniform procedures:

1981 1. At a noticed meeting, the board of supervisors of the
 1982 district may consider and review an engineer's report on the
 1983 costs of the systems, facilities, and services to be provided, a
 1984 preliminary special assessment methodology, and a preliminary
 1985 roll based on acreage or platted lands, depending upon whether
 1986 platting has occurred.

1987 a. The special assessment methodology shall address and
 1988 discuss, and the board shall consider, whether the systems,
 1989 facilities, and services being contemplated will result in
 1990 special benefits peculiar to the property, different in kind and
 1991 degree than general benefits, as a logical connection between
 1992 the systems, facilities, and services themselves and the
 1993 property, and whether the duty to pay the special assessments by
 1994 the property owners is apportioned in a manner that is fair and
 1995 equitable and not in excess of the special benefit received. It
 1996 shall be fair and equitable to designate a fixed proportion of
 1997 the annual debt service, together with interest thereon, on the
 1998 aggregate principal amount of bonds issued to finance such
 1999 systems, facilities, and services which give rise to unique,
 2000 special, and peculiar benefits to property of the same or

2001 similar characteristics under the special assessment methodology
 2002 so long as such fixed proportion does not exceed the unique,
 2003 special, and peculiar benefits enjoyed by such property from
 2004 such systems, facilities, and services.

2005 b. The engineer's cost report shall identify the nature of
 2006 the proposed systems, facilities, and services, their location,
 2007 a cost breakdown plus a total estimated cost, including cost of
 2008 construction or reconstruction, labor, and materials, lands,
 2009 property, rights, easements, franchises, or systems, facilities,
 2010 and services to be acquired, cost of plans and specifications,
 2011 surveys of estimates of costs and revenues, costs of
 2012 engineering, legal, and other professional consultation
 2013 services, and other expenses or costs necessary or incidental to
 2014 determining the feasibility or practicability of such
 2015 construction, reconstruction, or acquisition, administrative
 2016 expenses, relationship to the authority and power of the
 2017 district in its charter, and such other expenses or costs as may
 2018 be necessary or incidental to the financing to be authorized by
 2019 the board of supervisors.

2020 c. The preliminary special assessment roll will be in
 2021 accordance with the assessment methodology as may be adopted by
 2022 the board of supervisors; the special assessment roll shall be
 2023 completed as promptly as possible and shall show the acreage,
 2024 lots, lands, or plats assessed and the amount of the fairly and
 2025 reasonably apportioned assessment based on special and peculiar

HB 1117

2024

2026 benefit to the property, lot, parcel, or acreage of land; and,
2027 if the special assessment against such lot, parcel, acreage, or
2028 portion of land is to be paid in installments, the number of
2029 annual installments in which the special assessment is divided
2030 shall be entered into and shown upon the special assessment
2031 roll.

2032 2. The board of supervisors of the district may determine
2033 and declare by an initial special assessment resolution to levy
2034 and assess the special assessments with respect to assessable
2035 improvements stating the nature of the systems, facilities, and
2036 services, improvements, projects, or infrastructure constituting
2037 such assessable improvements, the information in the engineer's
2038 cost report, the information in the special assessment
2039 methodology as determined by the board at the noticed meeting
2040 and referencing and incorporating as part of the resolution the
2041 engineer's cost report, the preliminary special assessment
2042 methodology, and the preliminary special assessment roll as
2043 referenced exhibits to the resolution by reference. If the board
2044 determines to declare and levy the special assessments by the
2045 initial special assessment resolution, the board shall also
2046 adopt and declare a notice resolution which shall provide and
2047 cause the initial special assessment resolution to be published
2048 once a week for a period of 2 weeks in newspapers of general
2049 circulation published in the City of North Port, and said board
2050 shall by the same resolution fix a time and place at which the

2051 owner or owners of the property to be assessed or any other
 2052 persons interested therein may appear before said board and be
 2053 heard as to the propriety and advisability of making such
 2054 improvements, as to the costs thereof, as to the manner of
 2055 payment therefor, and as to the amount thereof to be assessed
 2056 against each property so improved. Thirty days' notice in
 2057 writing of such time and place shall be given to such property
 2058 owners. The notice shall include the amount of the special
 2059 assessment and shall be served by mailing a copy to each
 2060 assessed property owner at his or her last known address, the
 2061 names and addresses of such property owners to be obtained from
 2062 the record of the property appraiser of the county political
 2063 subdivision in which the land is located or from such other
 2064 sources as the district manager or engineer deems reliable, and
 2065 proof of such mailing shall be made by the affidavit of the
 2066 district manager or by the engineer, said proof to be filed with
 2067 the district manager, provided that failure to mail said notice
 2068 or notices shall not invalidate any of the proceedings
 2069 hereunder. It is provided further that the last publication
 2070 shall be at least 1 week prior to the date of the hearing on the
 2071 final special assessment resolution. Said notice shall describe
 2072 the general areas to be improved and advise all persons
 2073 interested that the description of each property to be assessed
 2074 and the amount to be assessed to each piece, parcel, lot, or
 2075 acre of property may be ascertained at the office of the

HB 1117

2024

2076 district manager. Such service by publication shall be verified
2077 by the affidavit of the publisher and filed with the district
2078 manager. Moreover, the initial special assessment resolution
2079 with its attached, referenced, and incorporated engineer's cost
2080 report, preliminary special assessment methodology, and
2081 preliminary special assessment roll, along with the notice
2082 resolution, shall be available for public inspection at the
2083 office of the district manager and the office of the engineer or
2084 any other office designated by the board of supervisors in the
2085 notice resolution. Notwithstanding the foregoing, the landowners
2086 of all of the property which is proposed to be assessed may give
2087 the district written notice of waiver of any notice and
2088 publication provided for in this subparagraph, and such notice
2089 and publication shall not be required, provided, however, that
2090 any meeting of the board of supervisors to consider such
2091 resolution shall be a publicly noticed meeting.

2092 3. At the time and place named in the noticed resolution
2093 as provided for in subparagraph 2., the board of supervisors of
2094 the district shall meet and hear testimony from affected
2095 property owners as to the propriety and advisability of making
2096 the systems, facilities, services, projects, works,
2097 improvements, or infrastructure and funding them with
2098 assessments referenced in the initial special assessment
2099 resolution on the property. Following the testimony and
2100 questions from the members of the board or any professional

HB 1117

2024

2101 advisors to the district of the preparers of the engineer's cost
2102 report, the special assessment methodology, and the special
2103 assessment roll, the board of supervisors shall make a final
2104 decision on whether to levy and assess the particular special
2105 assessments. Thereafter, the board of supervisors shall meet as
2106 an equalizing board to hear and to consider any and all
2107 complaints as to the particular special assessments and shall
2108 adjust and equalize the special assessments to ensure proper
2109 assessment based on the benefit conferred on the property.

2110 4. When so equalized and approved by resolution or
2111 ordinance by the board of supervisors, to be called the final
2112 special assessment resolution, a final special assessment roll
2113 shall be filed with the clerk of the board and such special
2114 assessment shall stand confirmed and remain legal, valid, and
2115 binding first liens on the property against which such special
2116 assessments are made until paid, equal in dignity to the first
2117 liens of ad valorem taxation of county and municipal governments
2118 and school boards. However, upon completion of the systems,
2119 facilities, services, projects, improvements, works, or
2120 infrastructure, the district shall credit to each of the
2121 assessments the difference in the special assessment as
2122 originally made, approved, levied, assessed, and confirmed and
2123 the proportionate part of the actual cost of the improvement to
2124 be paid by the particular special assessments as finally
2125 determined upon the completion of the improvement; but in no

2126 event shall the final special assessment exceed the amount of
 2127 the special and peculiar benefits as apportioned fairly and
 2128 reasonably to the property from the system, facility, or service
 2129 being provided as originally assessed. Promptly after such
 2130 confirmation, the special assessment shall be recorded by the
 2131 clerk of the district in the minutes of the proceedings of the
 2132 district, and the record of the lien in this set of minutes
 2133 shall constitute prima facie evidence of its validity. The board
 2134 of supervisors, in its sole discretion, may by resolution grant
 2135 a discount equal to all or a part of the payee's proportionate
 2136 share of the cost of the project consisting of bond financing
 2137 cost, such as capitalized interest, funded reserves, and bond
 2138 discounts included in the estimated cost of the project, upon
 2139 payment in full of any special assessments during such period
 2140 prior to the time such financing costs are incurred as may be
 2141 specified by the board of supervisors in such resolution.

2142 5. District special assessments may be made payable in
 2143 installments over no more than 40 years from the date of the
 2144 payment of the first installment thereof and may bear interest
 2145 at fixed or variable rates.

2146 (b) Notwithstanding any provision of this act or chapter
 2147 170, Florida Statutes, that portion of s. 170.09, Florida
 2148 Statutes, that provides that special assessments may be paid
 2149 without interest at any time within 30 days after the
 2150 improvement is completed and a resolution accepting the same has

HB 1117

2024

2151 been adopted by the governing authority shall not be applicable
2152 to any district special assessments, whether imposed, levied,
2153 and collected pursuant to this act or other provisions of
2154 Florida law, including, but not limited to, chapter 170, Florida
2155 Statutes.

2156 (c) In addition, the district is authorized expressly in
2157 the exercise of its rulemaking power to adopt a rule or rules
2158 which provide for notice, levy, imposition, equalization, and
2159 collection of assessments.

2160 (14) ISSUANCE OF CERTIFICATES OF INDEBTEDNESS BASED ON
2161 ASSESSMENTS FOR ASSESSABLE IMPROVEMENTS; ASSESSMENT BONDS.—

2162 (a) The board may, after any special assessments or
2163 benefit special assessments for assessable improvements are
2164 made, determined, and confirmed as provided in this act, issue
2165 certificates of indebtedness for the amount so assessed against
2166 the abutting property or property otherwise benefited, as the
2167 case may be, and separate certificates shall be issued against
2168 each part or parcel of land or property assessed, which
2169 certificates shall state the general nature of the improvement
2170 for which the assessment is made. The certificates shall be
2171 payable in annual installments in accordance with the
2172 installments of the special assessment for which they are
2173 issued. The board may determine the interest to be borne by such
2174 certificates, not to exceed the maximum rate allowed by general
2175 law, and may sell such certificates at either private or public

2176 sale and determine the form, manner of execution, and other
 2177 details of such certificates. The certificates shall recite that
 2178 they are payable only from the special assessments levied and
 2179 collected from the part or parcel of land or property against
 2180 which they are issued. The proceeds of such certificates may be
 2181 pledged for the payment of principal of and interest on any
 2182 revenue bonds or general obligation bonds issued to finance in
 2183 whole or in part such assessable improvement, or, if not so
 2184 pledged, may be used to pay the cost or part of the cost of such
 2185 assessable improvements.

2186 (b) The district may also issue assessment bonds, revenue
 2187 bonds, or other obligations payable from a special fund into
 2188 which such certificates of indebtedness referred to in paragraph
 2189 (a) may be deposited, or, if such certificates of indebtedness
 2190 have not been issued, the district may assign to such special
 2191 fund for the benefit of the holders of such assessment bonds or
 2192 other obligations, or to a trustee for such bondholders, the
 2193 assessment liens provided for in this act unless such
 2194 certificates of indebtedness or assessment liens have been
 2195 theretofore pledged for any bonds or other obligations
 2196 authorized hereunder. In the event of the creation of such
 2197 special fund and the issuance of such assessment bonds or other
 2198 obligations, the proceeds of such certificates of indebtedness
 2199 or assessment liens deposited therein shall be used only for the
 2200 payment of the assessment bonds or other obligations issued as

2201 provided in this section. The district is authorized to covenant
 2202 with the holders of such assessment bonds, revenue bonds, or
 2203 other obligations that it will diligently and faithfully enforce
 2204 and collect all the special assessments, and interest and
 2205 penalties thereon, for which such certificates of indebtedness
 2206 or assessment liens have been deposited in or assigned to such
 2207 fund; to foreclose such assessment liens so assigned to such
 2208 special fund or represented by the certificates of indebtedness
 2209 deposited in the special fund, after such assessment liens have
 2210 become delinquent, and deposit the proceeds derived from such
 2211 foreclosure, including interest and penalties, in such special
 2212 fund; and to make any other covenants deemed necessary or
 2213 advisable in order to properly secure the holders of such
 2214 assessment bonds or other obligations.

2215 (c) The assessment bonds, revenue bonds, or other
 2216 obligations issued pursuant to this section shall have such
 2217 dates of issue and maturity as shall be deemed advisable by the
 2218 board; however, the maturities of such assessment bonds or other
 2219 obligations shall not be more than 2 years after the due date of
 2220 the last installment which will be payable on any of the special
 2221 assessments for which such assessment liens, or the certificates
 2222 of indebtedness representing such assessment liens, are assigned
 2223 to or deposited in such special fund.

2224 (d) Such assessment bonds, revenue bonds, or other
 2225 obligations issued under this section shall bear such interest

2226 as the board may determine, not to exceed the maximum rate
 2227 allowed by general law, and shall be executed, shall have such
 2228 provisions for redemption prior to maturity, shall be sold in
 2229 the manner, and shall be subject to all of the applicable
 2230 provisions contained in this act for revenue bonds, except as
 2231 the same may be inconsistent with this section.

2232 (e) All assessment bonds, revenue bonds, or other
 2233 obligations issued under this section shall be, shall
 2234 constitute, and shall have all the qualities and incidents of
 2235 negotiable instruments under the law merchant and the laws of
 2236 the state.

2237 (15) TAX LIENS.—All taxes of the district provided for in
 2238 this act, together with all penalties for default in the payment
 2239 of the same and all costs in collecting the same, including a
 2240 reasonable attorney fee fixed by the court and taxed as a cost
 2241 in the action brought to enforce payment, shall, from January 1
 2242 for each year the property is liable to assessment and until
 2243 paid, constitute a lien of equal dignity with the liens for
 2244 state and county taxes and other taxes of equal dignity with
 2245 state and county taxes upon all the lands against which such
 2246 taxes shall be levied. A sale of any of the real property within
 2247 the district for state and county or other taxes shall not
 2248 operate to relieve or release the property so sold from the lien
 2249 for subsequent district taxes or installments of district taxes,
 2250 which lien may be enforced against such property as though no

2251 such sale thereof had been made. In addition to, and not in
 2252 limitation of, the preceding sentence, for purposes of s.
 2253 197.552, Florida Statutes, the lien of all special assessments
 2254 levied by the district shall constitute a lien of record held by
 2255 a municipal or county governmental unit. The provisions of ss.
 2256 194.171, 197.122, 197.333, and 197.432, Florida Statutes, shall
 2257 be applicable to district taxes with the same force and effect
 2258 as if such provisions were expressly set forth in this act.

2259 (16) PAYMENT OF TAXES AND REDEMPTION OF TAX LIENS BY THE
 2260 DISTRICT; SHARING IN PROCEEDS OF TAX SALE.—

2261 (a) The district shall have the power and right to:

2262 1. Pay any delinquent state, county, district, municipal,
 2263 or other tax or assessment upon lands located wholly or
 2264 partially within the boundaries of the district.

2265 2. Redeem or purchase any tax sales certificates issued or
 2266 sold on account of any state, county, district, municipal, or
 2267 other taxes or assessments upon lands located wholly or
 2268 partially within the boundaries of the district.

2269 (b) Delinquent taxes paid, or tax sales certificates
 2270 redeemed or purchased, by the district, together with all
 2271 penalties for the default in payment of the same and all costs
 2272 in collecting the same and a reasonable attorney fee, shall
 2273 constitute a lien in favor of the district of equal dignity with
 2274 the liens of state and county taxes and other taxes of equal
 2275 dignity with state and county taxes upon all the real property

2276 against which the taxes were levied. The lien of the district
 2277 may be foreclosed in the manner provided in this act.

2278 (c) In any sale of land pursuant to s. 197.542, Florida
 2279 Statutes, as may be amended from time to time, the district may
 2280 certify to the clerk of the circuit court of the county holding
 2281 such sale the amount of taxes due to the district upon the lands
 2282 sought to be sold, and the district shall share in the
 2283 disbursement of the sales proceeds in accordance with this act
 2284 and under the laws of the state.

2285 (17) FORECLOSURE OF LIENS.—Any lien in favor of the
 2286 district arising under this act may be foreclosed by the
 2287 district by foreclosure proceedings in the name of the district
 2288 in a court of competent jurisdiction as provided by general law
 2289 in like manner as is provided in chapter 170 or chapter 173,
 2290 Florida Statutes, and amendments thereto and the provisions of
 2291 those chapters shall be applicable to such proceedings with the
 2292 same force and effect as if those provisions were expressly set
 2293 forth in this act. Any act required or authorized to be done by
 2294 or on behalf of a municipality in foreclosure proceedings under
 2295 chapter 170 or chapter 173, Florida Statutes, may be performed
 2296 by such officer or agent of the district as the board of
 2297 supervisors may designate. Such foreclosure proceedings may be
 2298 brought at any time after the expiration of 1 year from the date
 2299 any tax, or installment thereof, becomes delinquent; however, no
 2300 lien shall be foreclosed against any political subdivision or

2301 agency of the state. Other legal remedies shall remain
 2302 available.

2303 (18) MANDATORY USE OF CERTAIN DISTRICT FACILITIES.—To the
 2304 full extent permitted by law, the district shall require all
 2305 lands, buildings, premises, persons, firms, and corporations
 2306 within the district to use the facilities of the district.

2307 (19) COMPETITIVE PROCUREMENT; BIDS; NEGOTIATIONS; RELATED
 2308 PROVISIONS REQUIRED.—

2309 (a) No contract shall be let by the board for any goods,
 2310 supplies, or materials to be purchased when the amount thereof
 2311 to be paid by the district shall exceed the amount provided in
 2312 s. 287.017, Florida Statutes, as amended from time to time, for
 2313 category four, unless notice of bids shall be advertised once in
 2314 a newspaper in general circulation in the City of North Port.
 2315 Any board seeking to construct or improve a public building,
 2316 structure, or other public works shall comply with the bidding
 2317 procedures of s. 255.20, Florida Statutes, as amended from time
 2318 to time, and other applicable general law. In each case, the bid
 2319 of the lowest responsive and responsible bidder shall be
 2320 accepted unless all bids are rejected because the bids are too
 2321 high or the board determines it is in the best interests of the
 2322 district to reject all bids. The board may require the bidders
 2323 to furnish bond with a responsible surety to be approved by the
 2324 board. Nothing in this subsection shall prevent the board from
 2325 undertaking and performing the construction, operation, and

2326 maintenance of any project or facility authorized by this act by
 2327 the employment of labor, material, and machinery.

2328 (b) The provisions of the Consultants' Competitive
 2329 Negotiation Act, s. 287.055, Florida Statutes, apply to
 2330 contracts for engineering, architecture, landscape architecture,
 2331 or registered surveying and mapping services let by the board.

2332 (c) Contracts for maintenance services for any district
 2333 facility or project shall be subject to competitive bidding
 2334 requirements when the amount thereof to be paid by the district
 2335 exceeds the amount provided in s. 287.017, Florida Statutes, as
 2336 amended from time to time, for category four. The district shall
 2337 adopt rules, policies, or procedures establishing competitive
 2338 bidding procedures for maintenance services. Contracts for other
 2339 services shall not be subject to competitive bidding unless the
 2340 district adopts a rule, policy, or procedure applying
 2341 competitive bidding procedures to said contracts. Nothing herein
 2342 shall preclude the use of requests for proposal instead of
 2343 invitations to bid as determined by the district to be in its
 2344 best interest.

2345 (20) RATES, FEES, RENTALS, AND CHARGES; PROCEDURE FOR
 2346 ADOPTION AND MODIFICATIONS; MINIMUM REVENUE REQUIREMENTS.-

2347 (a) The district is authorized to prescribe, fix,
 2348 establish, and collect rates, fees, rentals, or other charges,
 2349 hereinafter sometimes referred to as "revenues," and to revise
 2350 the same from time to time, for the systems, facilities, and

HB 1117

2024

2351 services furnished by the district, including, but not limited
2352 to, recreational facilities, water management and control
2353 facilities, and water and sewer systems; to recover the costs of
2354 making connection with any district service, facility, or
2355 system; and to provide for reasonable penalties against any user
2356 or property for any such rates, fees, rentals, or other charges
2357 that are delinquent.

2358 (b) No such rates, fees, rentals, or other charges for any
2359 of the facilities or services of the district shall be fixed
2360 until after a public hearing at which all the users of the
2361 proposed facility or services or owners, tenants, or occupants
2362 served or to be served thereby and all other interested persons
2363 shall have an opportunity to be heard concerning the proposed
2364 rates, fees, rentals, or other charges. Rates, fees, rentals,
2365 and other charges shall be adopted under the administrative
2366 rulemaking authority of the district, but shall not apply to
2367 district leases. Notice of such public hearing setting forth the
2368 proposed schedule or schedules of rates, fees, rentals, and
2369 other charges shall have been published in a newspaper of
2370 general circulation in the City of North Port at least once and
2371 at least 10 days prior to such public hearing. The rulemaking
2372 hearing may be adjourned from time to time. After such hearing,
2373 such schedule or schedules, either as initially proposed or as
2374 modified or amended, may be finally adopted. A copy of the
2375 schedule or schedules of such rates, fees, rentals, or other

HB 1117

2024

2376 charges as finally adopted shall be kept on file in an office
2377 designated by the board and shall be open at all reasonable
2378 times to public inspection. The rates, fees, rentals, or other
2379 charges so fixed for any class of users or property served shall
2380 be extended to cover any additional users or properties
2381 thereafter served which shall fall in the same class, without
2382 the necessity of any notice or hearing.

2383 (c) Such rates, fees, rentals, and other charges shall be
2384 just and equitable and uniform for users of the same class, and,
2385 when appropriate, may be based or computed either upon the
2386 amount of service furnished, upon the average number of persons
2387 residing or working in or otherwise occupying the premises
2388 served, or upon any other factor affecting the use of the
2389 facilities furnished, or upon any combination of the foregoing
2390 factors, as may be determined by the board on an equitable
2391 basis.

2392 (d) The rates, fees, rentals, or other charges prescribed
2393 shall be such as will produce revenues, together with any other
2394 assessments, taxes, revenues, or funds available or pledged for
2395 such purpose, at least sufficient to provide for the items
2396 hereinafter listed, but not necessarily in the order stated:

2397 1. To provide for all expenses of operation and
2398 maintenance of such facility or service.

2399 2. To pay when due all bonds and interest thereon for the
2400 payment of which such revenues are, or shall have been, pledged

HB 1117

2024

2401 or encumbered, including reserves for such purpose.

2402 3. To provide for any other funds which may be required
2403 under the resolution or resolutions authorizing the issuance of
2404 bonds pursuant to this act.

2405 (e) The board shall have the power to enter into contracts
2406 for the use of the projects of the district and with respect to
2407 the services, systems, and facilities furnished or to be
2408 furnished by the district.

2409 (21) RECOVERY OF DELINQUENT CHARGES.—In the event that any
2410 rates, fees, rentals, charges, or delinquent penalties are not
2411 paid when due and are in default for 60 days or more, the unpaid
2412 balance thereof and all interest accrued thereon, together with
2413 reasonable attorney fees and costs, may be recovered by the
2414 district in a civil action.

2415 (22) DISCONTINUANCE OF SERVICE.—In the event the fees,
2416 rentals, or other charges for district services or facilities
2417 are not paid when due, the board shall have the power, under
2418 such reasonable rules and regulations as the board may adopt, to
2419 discontinue and shut off such services until such fees, rentals,
2420 or other charges, including interest, penalties, and charges for
2421 the shutting off and discontinuance and the restoration of such
2422 services, are fully paid; and, for such purposes, the board may
2423 enter on any lands, waters, or premises of any person, firm,
2424 corporation, or body, public or private, within the district
2425 limits. Such delinquent fees, rentals, or other charges,

HB 1117

2024

2426 together with interest, penalties, and charges for the shutting
 2427 off and discontinuance and the restoration of such services and
 2428 facilities and reasonable attorney fees and other expenses, may
 2429 be recovered by the district, which may also enforce payment of
 2430 such delinquent fees, rentals, or other charges by any other
 2431 lawful method of enforcement.

2432 (23) ENFORCEMENT AND PENALTIES.—The board or any aggrieved
 2433 person may have recourse to such remedies in law and at equity
 2434 as may be necessary to ensure compliance with this act,
 2435 including injunctive relief to enjoin or restrain any person
 2436 violating this act or any bylaws, resolutions, regulations,
 2437 rules, codes, or orders adopted under this act. In case any
 2438 building or structure is erected, constructed, reconstructed,
 2439 altered, repaired, converted, or maintained, or any building,
 2440 structure, land, or water is used, in violation of this act or
 2441 of any code, order, resolution, or other regulation made under
 2442 authority conferred by this act or under law, the board or any
 2443 citizen residing in the district may institute any appropriate
 2444 action or proceeding to prevent such unlawful erection,
 2445 construction, reconstruction, alteration, repair, conversion,
 2446 maintenance, or use; to restrain, correct, or avoid such
 2447 violation; to prevent the occupancy of such building, structure,
 2448 land, or water; and to prevent any illegal act, conduct,
 2449 business, or use in or about such premises, land, or water.

2450 (24) SUITS AGAINST THE DISTRICT.—Any suit or action

2451 brought or maintained against the district for damages arising
 2452 out of tort, including, without limitation, any claim arising
 2453 upon account of an act causing an injury or loss of property,
 2454 personal injury, or death, shall be subject to the limitations
 2455 provided in s. 768.28, Florida Statutes.

2456 (25) EXEMPTION OF DISTRICT PROPERTY FROM EXECUTION.—All
 2457 district property shall be exempt from levy and sale by virtue
 2458 of an execution, and no execution or other judicial process
 2459 shall issue against such property, nor shall any judgment
 2460 against the district be a charge or lien on its property or
 2461 revenues; however, nothing contained herein shall apply to or
 2462 limit the rights of bondholders to pursue any remedy for the
 2463 enforcement of any lien or pledge given by the district in
 2464 connection with any of the bonds or obligations of the district.

2465 (26) TERMINATION, CONTRACTION, OR EXPANSION OF DISTRICT.—

2466 (a) The board of supervisors of the district shall not ask
 2467 the Legislature to repeal or amend this act to expand or to
 2468 contract the boundaries of the district or otherwise cause the
 2469 merger or termination of the district without first obtaining a
 2470 resolution or official statement from the City of North Port as
 2471 required by s. 189.031(2)(e)4., Florida Statutes, for creation
 2472 of an independent special district. The district's consent may
 2473 be evidenced by a resolution or other official written statement
 2474 of the district.

2475 (b) The district shall remain in existence until:

2476 1. The district is terminated and dissolved pursuant to
 2477 amendment to this act by the Legislature.

2478 2. The district has become inactive pursuant to s.
 2479 189.062, Florida Statutes.

2480 (27) MERGER WITH COMMUNITY DEVELOPMENT DISTRICTS.—The
 2481 district may merge with one or more community development
 2482 districts situated wholly within its boundaries. The district
 2483 shall be the surviving entity of the merger. Any mergers shall
 2484 commence upon each such community development district filing a
 2485 written request for merger with the district. A copy of the
 2486 written request shall also be filed with the City of North Port.
 2487 The district, subject to the direction of its board of
 2488 supervisors, shall enter into a merger agreement which shall
 2489 provide for the proper allocation of debt, the manner in which
 2490 such debt shall be retired, the transition of the community
 2491 development district board, and the transfer of all financial
 2492 obligations and operating and maintenance responsibilities to
 2493 the district. The execution of the merger agreement by the
 2494 district and each community development district constitutes
 2495 consent of the landowners within each district. The district and
 2496 each community development district requesting merger shall hold
 2497 a public hearing within its boundaries to provide information
 2498 about and take public comment on the proposed merger in the
 2499 merger agreement. The public hearing shall be held within 45
 2500 days before the execution of the merger agreement by all parties

2501 thereto. Notice of the public hearing shall be published at
 2502 least 14 days before the hearing in a newspaper of general
 2503 circulation in the City of North Port. At the conclusion of the
 2504 public hearing, each district shall consider a resolution either
 2505 approving or disapproving the proposed merger. If the district
 2506 and each community development district which is a party to the
 2507 merger agreement adopt a resolution approving the proposed
 2508 merger, the resolutions and the merger agreement shall be filed
 2509 with the City of North Port. Upon receipt of the resolutions
 2510 approving the merger and the merger agreement, the City of North
 2511 Port shall adopt a nonemergency ordinance dissolving each
 2512 community development district pursuant to s. 190.046(10),
 2513 Florida Statutes.

2514 (28) INCLUSION OF TERRITORY.—The inclusion of any or all
 2515 territory of the district within a municipality does not change,
 2516 alter, or affect the boundary, territory, existence, or
 2517 jurisdiction of the district.

2518 (29) SALE OF REAL ESTATE WITHIN THE DISTRICT; REQUIRED
 2519 DISCLOSURE TO PURCHASER.—Subsequent to the creation of this
 2520 district under this act, each contract for the initial sale of a
 2521 parcel of real property and each contract for the initial sale
 2522 of a residential unit within the district shall include,
 2523 immediately prior to the space reserved in the contract for the
 2524 signature of the purchaser, the following disclosure statement
 2525 in boldfaced and conspicuous type which is larger than the type

2526 in the remaining text of the contract: "THE STAR FARMS VILLAGE
 2527 AT NORTH PORT STEWARDSHIP DISTRICT MAY IMPOSE AND LEVY TAXES OR
 2528 ASSESSMENTS, OR BOTH TAXES AND ASSESSMENTS, ON THIS PROPERTY.
 2529 THESE TAXES AND ASSESSMENTS PAY FOR THE CONSTRUCTION, OPERATION,
 2530 AND MAINTENANCE COSTS OF CERTAIN PUBLIC SYSTEMS, FACILITIES, AND
 2531 SERVICES OF THE DISTRICT AND ARE SET ANNUALLY BY THE GOVERNING
 2532 BOARD OF THE DISTRICT. THESE TAXES AND ASSESSMENTS ARE IN
 2533 ADDITION TO COUNTY AND OTHER LOCAL GOVERNMENTAL TAXES AND
 2534 ASSESSMENTS AND ALL OTHER TAXES AND ASSESSMENTS PROVIDED FOR BY
 2535 LAW."

2536 (30) NOTICE OF CREATION AND ESTABLISHMENT.—Within 30 days
 2537 after the election of the first board of supervisors creating
 2538 this district, the district shall cause to be recorded in the
 2539 grantor-grantee index of the property records in Sarasota County
 2540 a "Notice of Creation and Establishment of the Star Farms
 2541 Village at North Port Stewardship District." The notice shall,
 2542 at a minimum, include the legal description of the property
 2543 covered by this act.

2544 (31) DISTRICT PROPERTY PUBLIC; FEES.—Any system, facility,
 2545 service, works, improvement, project, or other infrastructure
 2546 owned by the district, or funded by federal tax exempt bonding
 2547 issued by the district, is public, and the district by rule may
 2548 regulate, and may impose reasonable charges or fees for, the use
 2549 thereof, but not to the extent that such regulation or
 2550 imposition of such charges or fees constitutes denial of

HB 1117

2024

2551 reasonable access.

2552 Section 7. If any provision of this act is determined
2553 unconstitutional or otherwise determined invalid by a court of
2554 law, all the rest and remainder of the act shall remain in full
2555 force and effect as the law of this state.

2556 Section 8. This act shall take effect upon becoming a law,
2557 except that the provisions of this act which authorize the levy
2558 of ad valorem taxation shall take effect only upon express
2559 approval by a majority vote of those qualified electors of the
2560 Star Farms Village at North Port Stewardship District, as
2561 required by Section 9 of Article VII of the State Constitution,
2562 voting in a referendum election held at such time as all members
2563 of the board are qualified electors who are elected by qualified
2564 electors of the district as provided in this act.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1147 Broadband
SPONSOR(S): Tomkow
TIED BILLS: **IDEN./SIM. BILLS:** SB 1218

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Energy, Communications & Cybersecurity Subcommittee	13 Y, 0 N	Phelps	Keating
2) Ways & Means Committee		Rexford	Aldridge
3) Commerce Committee			

SUMMARY ANALYSIS

Broadband Internet service has become an essential component of daily life, yet some parts of Florida lack access to this service. Communities that lack broadband access can have difficulty attracting new capital investment. To help address this issue, the Legislature, among other things, implemented a promotional rate for the attachment of broadband facilities to poles owned by municipal electric utilities. The promotional rate requires municipal electrical utilities to offer broadband Internet service providers a discounted rate of \$1 per attachment per year for any new pole attachment necessary to make broadband service available to an unserved or underserved consumer within the utility's territory. The promotional rate expires on July 1, 2024.

The bill extends the expiration date of the promotional rate from July 1, 2024, to December 31, 2028.

The bill does not appear to impact state government revenues or expenditures. The bill may have a negative impact on local government revenues as a result of the discounted pole attachment charges, though the impact will be dependent on utilization of the program by broadband providers. The discounted pole attachment charges may provide an incentive to broadband Internet service providers for additional investment in broadband infrastructure to reach unserved areas and unserved customers in this state.

The bill provides an effective date of June 30, 2024.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

Regulation of Pole Attachments

The term “pole attachment,” refers to the process by which communications services providers can place communications infrastructure on existing electric utility poles. This reduces the number of poles that must be built to accommodate utility and communications services, while reducing costs to users of both services by allowing providers to share costs. Rules governing pole attachments seek to balance the desire to maximize value for users of both electric and communications services with concerns unique to electric utility poles, such as safety and reliability.¹ The space requested for a pole attachment is typically one foot.

Pole attachments, originally by mutual agreement but later by federal statute and regulation, provide non-pole-owning cable and telecommunications service providers with access to a utility’s distribution poles, conduits, and right-of-way (ROW) for:

- Installing fiber, coaxial cable or wires, and other equipment;
- Building an interconnected network; and
- Reaching customers.²

Congress began regulating pole attachments³ in 1978.⁴ The Telecommunications Act of 1996⁵ (the Act) expanded pole attachment rights to telecommunications⁶ carriers. The Act requires utilities⁷ to provide nondiscriminatory access to cable television systems and telecommunications carriers. The Act also authorizes the Federal Communications Commission⁸ (FCC) to regulate the rates, terms, and conditions of attachments by cable television operators to the poles, conduit, or ROW owned or controlled by utilities in the absence of parallel state regulation.⁹ The Legislation withheld from FCC jurisdiction the authority to regulate attachments where the utility is a railroad, cooperatively organized, or owned by a government entity.¹⁰ Thus, federal pole attachment regulations apply only to investor-owned electric utilities (IOUs). Municipal and cooperative electric utilities are specifically exempted from federal pole attachment regulations.

¹ American Public Power Association, *Issue Brief: Preserving the Municipal Exemption from Federal Pole Attachment Regulations* (June 2023) <https://www.publicpower.org/policy/preserving-municipal-exemption-federal-pole-attachment-regulations> (last visited Jan. 23, 2024).

² Evari GIS Consulting, *Joint Use Pole Audit*, available at <https://www.evarigisconsulting.com/joint-use-pole-audit> (last visited Jan. 23, 2024).

³ 47 U.S.C. § 224(a)(4), defines “pole attachment” as “any attachment by a cable television system or provider of telecommunications service to a pole, duct, conduit, or right-of-way owned or controlled by a utility.”

⁴ The Pole Attachment Act of 1978 granted utility pole access to cable companies, and was designed to promote utility competition and service to the public. Communications Act Amendments of 1978, Pub. L. No. 95-234. (Feb. 21, 1978).

⁵ Telecommunications Act of 1996, Pub. LA. No. 104-104, 110 Stat. 56 (1996).

⁶ The term “telecommunications” means the transmission, between or among points specified by the user, of information of the user’s choosing, without change in the form or content of the information as sent and received. 47 U.S.C. § 153(50).

⁷ “Utility” is defined as “any person who is a local exchange carrier or an electric, gas, water, steam, or other public utility, and who owns or controls poles, ducts, conduits, or rights-of-way used, in whole or in part, for any wire communications. Such term does not include any railroad, any person who is cooperatively organized, or any person owned by the Federal Government or any State.” 47 U.S.C. § 224(a)(1).

⁸ The FCC regulates interstate and international communications by radio, television, wire, satellite and cable in all 50 states, the District of Columbia and U.S. territories. An independent U.S. government agency overseen by Congress, the FCC is the United States’ primary authority for communications law, regulation and technological innovation. FCC, *What We Do*, <https://www.fcc.gov/about-fcc/what-we-do> (last visited Jan. 23, 2024).

⁹ 47 U.S.C. § 224.

¹⁰ *In the Matter of Implementation of Section 224 of the Act- A Nat’l Broadband Plan for Our Future*, 26 F.C.C. Rcd. 5240, 5245–46 (2011).

The Act permits utilities to deny access where there is insufficient capacity and for reasons of safety, reliability or generally applicable engineering purposes. In addition to establishing a right of access, the Act provides a rate methodology for “attachments used by telecommunications carriers to provide telecommunications services”¹¹ in addition to the existing methodology for attachments “used by a cable television system solely to provide cable service.”¹²

Federal law broadly preempts the regulation of telecommunications services.¹³ However, federal law allows states to exercise reverse preemption over the FCC’s jurisdiction of communications infrastructure access,¹⁴ meaning that once a state adopts its own utility pole access rules, the FCC loses jurisdiction over pole attachments to the extent that the state regulates such matters.¹⁵

In 2021, Florida exercised its power under the Act to assert reverse preemption over the FCC’s regulation of pole attachments, directing the Florida Public Service Commission (PSC) to regulate and enforce rates, charges, terms, and conditions for pole attachments, and to ensure that they are just and reasonable. In 2023, with the passage and enactment of HB 1221 (Broadband Internet Service Providers), this authority was expanded to the regulation of attachments to poles owned by rural electrical cooperatives engaged in the provision of broadband services.¹⁶ Presently, s. 366.04(8), F.S., regulates pole attachments for public utilities and such rural electric cooperatives.¹⁷ The PSC does not, however, regulate pole attachments for poles owned by municipal utilities.

Attachment of Broadband Facilities to Municipal Electric Utility Poles

The Legislature passed CS/CS/HB 1239 (Broadband Internet Infrastructure) in 2021, creating s. 288.9963, F.S., and providing terms for the attachment of certain broadband facilities to poles owned by municipal electric utilities.

Under this law, a broadband provider¹⁸ is currently entitled to receive a promotional rate of \$1 per wireline attachment¹⁹ per pole per year for any new attachment necessary to make broadband service²⁰ available to an unserved²¹ or underserved²² end user within a municipal electric utility service territory.²³

A broadband provider who wishes to make wireline attachments subject to this promotional rate must²⁴:

- Submit an application, including a route map, to the municipal electric utility specifying which wireline attachments on which utility poles are necessary to extend broadband service to unserved and underserved end users;

¹¹ 47 U.S.C. § 224(e).

¹² 47 U.S.C. § 224(d).

¹³ “No State or local statute or regulation, or other State or local legal requirement, may prohibit or have the effect of prohibiting the ability of any entity to provide any interstate or intrastate telecommunications service.” 47 U.S.C. § 253(a).

¹⁴ 47 U.S.C. § 224(c)(1).

¹⁵ Catherine J.K. Sandoval, *Contested Places, Utility Pole Spaces: A Competition and Safety Framework for Analyzing Utility Pole Association Rules, Roles, and Risks*, 69 *Cath. U. L. Rev.* 473, 486–87 (2020).

¹⁶ Chapter 2023-199, Laws of Fla.

¹⁷ Section 364.391, F.S., provides that if a rural electric cooperative engages in the provision of broadband, all poles owned by that cooperative are subject to regulation under s. 366.04(8), F.S., on the same basis as if such cooperative were a public utility under that subsection. Sections 366.04(9) and 366.97, F.S., also provide pole attachment regulations relating to poles owned by public utilities.

¹⁸ “Broadband provider” means a person or entity who provides fixed broadband Internet service. S. 288.9963(2)(a), F.S.

¹⁹ “Wireline attachment” means a wire or cable and associated equipment affixed to a utility pole in the communications space of the pole. S. 288.9963(2)(f), F.S.

²⁰ “Broadband service” means a service that provides high-speed access to the Internet at a rate of at least 25 megabits per second in the downstream direction and at least 3 megabits per second in the upstream direction. S. 288.9963(2)(b), F.S.

²¹ “Unserved” means that there is no retail access to the Internet at speeds of at least 10 megabits per seconds for downloading and 1 megabits per second for uploading. S. 288.9963(2)(e), F.S.

²² “Underserved” means there is no retail access to the Internet at speeds of at least 25 megabits per seconds for downloading and 3 megabits per second for uploading. S. 288.9963(2)(d), F.S.

²³ S. 288.9963(3), F.S.

²⁴ S. 288.9963(3)(a), F.S.

- Include with this application the information necessary to identify which unserved or underserved end users within the municipal electric utility’s service territory will gain access to broadband service; and
- Provide a copy of both of the above to the Florida Office of Broadband.

A broadband provider making a wireline attachment application under the promotional rate must make a reasonable effort to make broadband service available to the unserved or underserved customers identified in the application. A provider who fails to do so within 12 months may be required to pay the prevailing rate for those attachments that failed to make broadband service available to the intended customers to the municipal electric utility.

The promotional rate expires on July 1, 2024.²⁵

Effect of the Bill

The bill extends the expiration date of the \$1 wireline attachment promotional rate from July 1, 2024, to December 31, 2028. The bill also extends the \$1 wireline attachment promotional rate for any currently existing wireline attachments made under the promotional rate program from July 1, 2024, to December 31, 2028.

The bill provides an effect date of June 30, 2024.

B. SECTION DIRECTORY:

Section 1. Amends s. 288.9963(3)(e), F.S., relating to promotional rates.

Section 2. Provides an effective date of June 30, 2024.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

The bill may have a negative impact on local government revenues as a result of the discounted pole attachment charges. Any impact is dependent on utilization of the program by broadband providers.

2. Expenditures:

None.

²⁵ S. 288.9963(3)(e), F.S.
STORAGE NAME: h1147b.WMC
DATE: 1/30/2024

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Broadband internet providers will benefit from discounted rates for certain attachments made to municipal electric utility poles over the next four years. These savings may provide incentives for additional investment in broadband infrastructure to reach unserved areas and unserved customers in this state. This may result in increased economic activity in areas that currently lack access to broadband internet service.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

If the provision of the bill that provides a promotional rate for the attachment of certain new broadband facilities to municipal electric utility poles is considered to reduce the authority of municipalities to raise revenues in the aggregate, the mandates provision of Art. VII, section 18, of the Florida Constitution may apply. However, an exemption may apply if the promotional rate creates an insignificant fiscal impact.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill does not require or authorize rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

1 A bill to be entitled
 2 An act relating to broadband; amending s. 288.9963,
 3 F.S.; extending the expiration date of a certain
 4 promotional rate; providing an effective date.

5
 6 Be It Enacted by the Legislature of the State of Florida:

7
 8 Section 1. Paragraph (e) of subsection (3) of section
 9 288.9963, Florida Statutes, is amended to read:

10 288.9963 Attachment of broadband facilities to municipal
 11 electric utility poles.—

12 (3) Beginning July 1, 2021, a broadband provider shall
 13 receive a promotional rate of \$1 per wireline attachment per
 14 pole per year for any new attachment necessary to make broadband
 15 service available to an unserved or underserved end user within
 16 a municipal electric utility service territory for the time
 17 period specified in this subsection.

18 (e) The promotional rate of \$1 per wireline attachment per
 19 pole per year applies to all pole attachments made pursuant to
 20 this subsection until December 31, 2028 ~~July 1, 2024~~.

21 Section 2. This act shall take effect June 30, 2024.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCS for HB 475 Sales Tax Holiday for Micromobility Vehicles and Related Personal Safety Equipment
SPONSOR(S): Ways & Means Committee
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Ways & Means Committee		Rexford	Aldridge

SUMMARY ANALYSIS

The bill exempts from the sales and use tax the retail sale, excluding leases and rentals, of electric bicycles, electric scooters, and protective clothing and equipment from May 1, 2024, through May 31, 2024.

The sales price of the exempted items is limited to:

- \$1,750 or less for electric bicycles;
- \$500 or less for electric scooters;
- \$150 or less for helmets;
- \$50 or less for knee pads or elbow pads;

The bill provides the Department of Revenue with emergency rulemaking authority to implement the act.

The Revenue Estimating Conference (REC) has not estimated the potential revenue impacts of the bill. Based on review of similar language by the REC this year, staff estimates that the bill will have a nonrecurring impact on General Revenue of -\$2.2 million, a nonrecurring negative insignificant impact on state trust funds and a nonrecurring impact on local government revenues of -\$0.6 million.

The bill takes effect upon becoming a law.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

Sales and Use Tax

Florida levies a 6 percent sales and use tax on the sale or rental of most tangible personal property,¹ admissions,² transient rentals,³ and a limited number of services, and a 5.5 percent sales and use tax on the rental of commercial real estate.⁴ Chapter 212, F.S., contains provisions authorizing the levy and collection of Florida's sale and use tax, as well as the exemptions and credits applicable to certain items or uses under specified circumstances. Sales tax is added to the price of the taxable good or service and collected from the purchaser at the time of sale.⁵

Counties are authorized to impose local discretionary sales surtaxes in addition to the state sales tax.⁶ A surtax applies to "all transactions occurring in the county which transactions are subject to the state tax imposed on sales, use, services, rentals, admissions, and other transactions by [ch. 212, F.S.], and communications services as defined in ch. 202."⁷ The discretionary sales surtax is based on the tax rate imposed by the county where the taxable goods or services are sold or delivered. Discretionary sales surtax rates currently levied vary by county in a range of 0.0 to 1.5 percent.⁸

Electric-powered bicycles and scooters, helmets, knee pads, and elbow pads are subject to Florida sales tax. However, the sale of bicycle helmets marketed for use by youth are exempt from the sales and use tax.⁹

Electric Bicycles and Scooters

Florida law defines the term "electric bicycle" as a bicycle or tricycle equipped with fully operable pedals, a seat or saddle for the use of the rider, and an electric motor of less than 750 watts which meets the requirements of one of the following three classifications:

- "Class 1 electric bicycle" means an electric bicycle equipped with a motor that provides assistance only when the rider is pedaling and that ceases to provide assistance when the electric bicycle reaches the speed of 20 miles per hour.
- "Class 2 electric bicycle" means an electric bicycle equipped with a motor that may be used exclusively to propel the electric bicycle and that ceases to provide assistance when the electric bicycle reaches the speed of 20 miles per hour.
- "Class 3 bicycle" means an electric bicycle equipped with a motor that provides assistance only when the rider is pedaling and that ceases to provide assistance when the electric bicycle reaches the speed of 28 miles per hour.¹⁰

A "motorized scooter" (also referred to as an electric scooter) is defined as any vehicle or micromobility device¹¹ that is powered by a motor with or without a seat or saddle for the use of the rider, which is

¹ Section 212.05(1)(a)1.a., F.S.

² Section 212.04(1)(b), F.S.

³ Section 212.03(1)(a), F.S.

⁴ Section 212.031, F.S.

⁵ Section 212.07(2), F.S.

⁶ Section 212.055, F.S.

⁷ Section 212.054(2)(a), F.S.

⁸ Florida Department of Revenue, *Discretionary Sales Surtax Information for Calendar Year 2024*, https://floridarevenue.com/Forms_library/current/dr15dss_24.pdf (last visited Jan. 23, 2024).

⁹ Section 212.08(7)(III), F.S.

¹⁰ Section 316.003(23), F.S.

designed to travel on not more than three wheels, and which is not capable of propelling the vehicle at a speed greater than 20 miles per hour on level ground.¹²

Over the years electric scooters and bicycles have become a popular transportation option, especially for those who live in cities.¹³ They also offer an alternative mode of transportation for people who would otherwise be prevented from using more traditional modes of transportation.¹⁴

Effect of Proposed Changes

The bill exempts from the sales and use tax the retail sale, excluding leases and rentals, of electric bicycles, electric scooters, and protective clothing and equipment from May 1, 2024, through May 31, 2024.

The bill uses the existing statutory definition for electric bicycle, but defines:

- “Electric scooter” as a vehicle having two or fewer wheels, with or without a seat or saddle, which is equipped to be propelled by a motor and which weighs less than 75 pounds, is less than 2 feet wide, and is designed for a maximum speed of less than 35 miles per hour; and
- “Protective clothing and equipment” as apparel designed and intended for use during the operation of an electric bicycle or electric scooter which incorporates padding to protect from or mitigate injury.

The sales price of the exempted items is limited to:

- \$1,750 or less for electric bicycles;
- \$500 or less for electric scooters;
- \$150 or less for helmets;
- \$50 or less for knee pads or elbow pads;

The bill provides the Department of Revenue with emergency rulemaking authority to implement the act.

The bill takes effect upon becoming a law.

B. SECTION DIRECTORY:

Section 1: Provides a temporary sales tax exemption for electric bicycles and scooters and certain protective clothing and equipment. Provides the Department of Revenue with emergency rulemaking authority for the purpose of implementing the act.

Section 2: Provides that the bill is effective upon becoming a law.

¹¹ The term “micromobility device” is defined as any motorized transportation device made available for private use by reservation through an online application, website, or software for point-to-point trips and which is not capable of traveling at a speed greater than 20 miles per hour on level ground. The term includes motorized scooters and bicycles. Section 316.003(41), F.S.

¹² Section 316.003(48), F.S.

¹³ U.S. Department of Transportation, Federal Highway Administration, *Public Roads- 2021*, <https://highways.dot.gov/public-roads/spring-2021/02#:~:text=Other%20definitions%20of%20micromobility%20focus,%5B1%20meter%5D%20wide>. (last visited Jan. 23, 2024).

¹⁴ *Id.*

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

The Revenue Estimating Conference (REC) has not estimated the potential revenue impacts of the bill. Based on review of similar language by the REC this year, staff estimates that the bill will have a nonrecurring impact on General Revenue of -\$2.2 million and a nonrecurring negative insignificant impact on state trust funds.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

The Revenue Estimating Conference (REC) has not estimated the potential revenue impacts of the bill. Based on review of similar language by the REC this year, staff estimates that the bill will have a nonrecurring impact on local government revenues of -\$0.6 million.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

N/A

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not Applicable. This bill does not appear to require counties or municipalities to spend funds or take action requiring the expenditures of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill provides the Department of Revenue with emergency rulemaking authority to implement the provisions of the act.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

1 A bill to be entitled
 2 An act relating to a temporary sales tax exemption for
 3 items related to electric transportation; defining the
 4 terms "electric bicycle," "electric scooter," and
 5 "protective clothing and equipment"; providing a sales
 6 tax exemption during specified periods on the retail
 7 sale of certain electric bicycles, electric scooters,
 8 and protective clothing and equipment; providing
 9 applicability; authorizing the Department of Revenue to
 10 adopt emergency rules; providing an effective date.

11
 12 Be It Enacted by the Legislature of the State of Florida:

13
 14 Section 1. Electric bicycles, electric scooters, and
 15 protective clothing and equipment; sales tax holiday.-

16 (1) For the purposes of this section, the term:

17 (a) "Electric bicycle" has the same meaning as in s.
 18 316.003, Florida Statutes.

19 (b) "Electric scooter" means a vehicle having two or fewer
 20 wheels, with or without a seat or saddle, which is equipped to
 21 be propelled by a motor and which weighs less than 75 pounds, is
 22 less than 2 feet wide, and is designed for a maximum speed of
 23 less than 35 miles per hour.

24 (c) "Protective clothing and equipment" means apparel
 25 designed and intended for use during the operation of an

26 | electric bicycle or electric scooter which incorporates padding
 27 | to protect from or mitigate injury.

28 | (2) The tax levied under chapter 212, Florida Statutes,
 29 | may not be collected during the period from May 1, 2024, through
 30 | May 31, 2024, on the retail sale of:

31 | (a) An electric bicycle with a sales price of \$1,750 or
 32 | less.

33 | (b) An electric scooter with a sales price of \$500 or
 34 | less.

35 | (c) The following protective clothing and equipment:

36 | 1. A helmet with a sales price of \$150 or less.

37 | 2. Knee pads with a sales price of \$50 or less.

38 | 3. Elbow pads with a sales price of \$50 or less.

39 | (3) For purposes of this section, the term retail sale
 40 | excludes leases and rentals.

41 | (4) The Department of Revenue is authorized, and all
 42 | conditions are deemed met, to adopt emergency rules pursuant to
 43 | s. 120.54(4), Florida Statutes, for the purpose of implementing
 44 | this act.

45 | Section 2. This act shall take effect upon becoming law.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCS for HB 1001 Taxation
SPONSOR(S): Ways & Means Committee
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Ways & Means Committee		Rexford	Aldridge

SUMMARY ANALYSIS

The bill makes the following changes:

Sales Tax

- Removes the requirement that nonresident purchasers attest to having read statutory provisions and instead requires nonresident purchasers complete an affidavit that acknowledges compliance with the pertinent provisions of the statute.
- Clarifies that a boat and a boat trailer sold to the same purchaser at the same time and with both items located on the same invoice, are considered a single item for discretionary sales surtax purposes. Also, the sale of the boat and the trailer is deemed to occur in the county where the purchaser resides.

Other Taxes

- For the pollutant tax, obsolete language is removed for a \$30 registration fee repealed in 2017.
- For corporate tax, the tentative tax return underpayment amount increases from more than the greater of \$2,000 or 30% of the tax shown on the return when filed to more than \$6,000 or 30% of the tax shown on the return when filed.

Administrative Updates

- Allows the Department of Revenue to reopen a final assessment or refund denial for purposes of settling or compromising a liability if the failure to initiate a timely challenge was the result of a specified qualifying event beyond the control of the taxpayer.
- Authorizes the Department of Revenue to include all additional daily accrued interests, costs, and fees authorized by law to be included in garnishment levy and allows the Department to deliver its notices of levy by electronic means.

The Revenue Estimating Conference (REC) adopted discrete estimated impacts on state and local government revenues for different sections of the bill. See Fiscal Comments section for details.

The effective date of this bill is July 1, 2024.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Affidavit for Non-Resident Purchaser of Boat/Aircraft

Current Situation

Under current law, nonresident purchasers of boats and aircrafts qualify for a sales tax exemption, provided that certain application requirements are met.¹ One of the requirements is that nonresident purchasers of boats and aircrafts must provide the Department an original signed affidavit attesting that he or she read the provisions of s. 212.05, F.S. That statute provides for the exemption and includes the process to document the purchaser's qualification for the exemption. The statutory affidavit requirement does not require that the purchaser understand the exemption or documentation requirements, or that they attest they will comply with the provisions.

Effect of Proposed Change

The bill removes the requirement that nonresident purchasers attest to having read statutory provisions and replaces it with the requirement that nonresident purchasers complete an affidavit that affirms that the nonresident purchaser qualifies for the exemption from sales tax pursuant to s. 212.05(1)(a)2., F.S., and attests that the nonresident purchaser will provide the documentation necessary to substantiate its qualification for the exemption.

Boat and Boat Trailer Sales

Current Situation

Florida Sales and Use Tax

Florida levies a 6 percent sales and use tax on the sale or rental of most tangible personal property, admissions,² transient rentals,³ rental of commercial real estate,⁴ and a limited number of services. Chapter 212, F.S., authorizes the levy and collection of Florida's sales and use tax, and provides exemptions and credits applicable to certain items or uses under specified circumstances. Sales tax is added to the sales price of the taxable good or service and is collected from the purchaser at the time of sale.⁵

Discretionary Sales Surtax

In addition to the state tax, s. 212.055, F.S., authorizes counties to impose nine local option sales surtaxes. A surtax applies to "all transactions occurring in the county which transactions are subject to the state tax imposed on sales, use, services, rentals, admissions, and other transactions by [ch. 212, F.S.], and communications services as defined in ch. 202."⁶ The discretionary sales surtax is based on the tax rate imposed by the county where the taxable goods or services are sold, or are delivered.⁷ Discretionary sales surtax rates currently levied vary by county in a range from 0.5 to 2 percent.⁸

¹ S. 212.05, F.S.

² S. 212.04, F.S.

³ S. 212.03, F.S.

⁴ S. 212.031, F.S.

⁵ S. 212.07(2), F.S., and s. 212.06(3)(a), F.S.

⁶ S. 212.054, F.S.

⁷ S. 212.054(2), F.S.

⁸ Office of Economic and Demographic Research, The Florida Legislature, *Florida Tax Handbook*, 2023 Local Discretionary Sales Surtax Rates in Florida's Counties, 235-236, available at <http://edr.state.fl.us/Content/revenues/reports/tax-handbook/taxhandbook2023.pdf> (last visited Jan. 11, 2024).

Sales above \$5,000 on one item are not subject to the discretionary sales surtax.⁹ However, two or more items of tangible personal property will be considered a single item for the purposes of the \$5000 threshold if the items are sold to the same purchaser at the same time and are sold together under a generally accepted business practice, sold in bulk, or the items sold together make a working unit when assembled.¹⁰

Effect of Proposed Change

The bill amends s. 212.054(1)(b)1., F.S., to clarify that a boat and a corresponding boat trailer sold to the same purchaser at the same time and with both items located on the same invoice, are considered a single item for discretionary sales surtax purposes. The bill also amends s. 212.054(3)(a), F.S., to clarify that the sale of the boat and boat trailer is deemed to occur in the county where the purchaser resides, as shown on the title or registration documents, for discretionary sales surtax purposes.

Pollutant Tax Registration Fee

Current Situation

Under current law, any person producing in, importing into, or causing to be imported into this state taxable pollutants for sale, use, or otherwise and who is not registered or licensed is required to register and become licensed. Such person must register as either a producer or importer of pollutants and is subject to all applicable registration and licensing provisions of ch. 206, F.S. Registrations must be made prior to the first production or importation of pollutants for businesses created after July 1, 1986. Failure to timely register is a misdemeanor of the first degree. A registration fee of \$30 was repealed in 2017.¹¹

Effect of Proposed Change

The bill amends s. 206.9931(1), F.S., to remove obsolete language for the pollutant tax registration fee repealed in 2017.

Corporate Income Tax Returns

Florida levies a 5.5 percent tax on the taxable income of corporations and financial institutions doing business in Florida.¹² A corporate income taxpayer is required to file a Florida income tax return in every year that it is liable for Florida corporate income tax or is required to file a federal income tax return.¹³ The due dates to file several tax returns related to corporate income tax are tied to the federal law. Most corporate taxpayers¹⁴ follow a calendar-year taxable year¹⁵ and must file income tax returns on or before the first day of the 5th month following the close of the tax year. When a Florida corporation is granted an extension of time to file its federal return, the taxpayer may file an extension of time to file its Florida return. If granted, the extended Florida due date will be the 15th day after the expiration of the 6-month federal extension.¹⁶

⁹ S. 212.054(2)(b)1., F.S.

¹⁰ *Id.*

¹¹ S. 206.9931(1), F.S.

¹² S. 220.11(2), F.S.

¹³ S. 220.22, F.S.

¹⁴ 89.01% of corporate tax filers follow the calendar-year taxable year. Email from Matthew Cutillo, Chief Economist at Florida Department of Revenue, dated January 10, 2024 (on file with the staff of the Ways & Means Committee).

¹⁵ Some corporate taxpayers have a taxable year that ends on June 30th, they must file returns on or before the 1st day of the 4th month after the close of the table year. S. 220.222(1)(b), F.S.

¹⁶ For corporate taxpayers with a taxable year ending on June 30th, the extension is 15 days 7 months from the original due date. S. 220.222(2)(d), F.S.

If a taxpayer extends the time to file its Florida return, Florida law requires the taxpayer to file and pay a tentative tax return, which is due on or before the federal due date.¹⁷ A taxpayer fails to satisfy the tentative tax return requirement if it underpays the required payment by more than the greater of \$2,000 or 30% of the tax shown on the return when filed. Underpayment results in a loss of the extension and the taxpayer must pay penalties and the interest due on the unpaid tax due.¹⁸

Effect of Proposed Changes

The bill amends s. 220.222, F.S. to increase the tentative tax return underpayment amount from more than the greater of \$2,000 or 30% of the tax shown on the return when filed to more than the greater of \$6,000 or 30% of the tax shown on the return when filed.

Qualified Event Impacting Timely Challenge

Current Situation

The Department does not have the authority to reopen a final assessment or refund denial following the expiration of all taxpayer appeal rights under the law for purposes of adjusting or compromising the liability of a taxpayer.

Effect of Proposed Change

The bill creates s. 213.21(11), F.S., to allow the Department to reopen a final assessment or refund denial for purposes of settling or compromising a liability if the failure to initiate a timely challenge was the result of a specified qualifying event (footnote and state) which were beyond the control of the taxpayer. The bill requires that a request to reopen an assessment or refund denial for a qualifying event occur no later than 180 after the time for filing a contest has expired. The bill also clarifies that any decision by the Department regarding a taxpayer's request to compromise or settle a liability is not a final order subject to review under ch. 120, F.S.

A qualifying event includes:

- The death or life-threatening injury or illness of:
 - The taxpayer;
 - An immediate family member of the taxpayer; or
 - An individual with substantial responsibility for the management or control of the taxpayer;
- An act of war or terrorism; or
- A natural disaster, fire, or other catastrophic loss.

Garnishment Notice

Current Situation

Section 213.67, F.S., provides the statutory framework for the Department's garnishment authority. This includes the authority to issue a levy upon credits, other personal property, or debts belonging to a delinquent taxpayer for any taxes, penalties, and interest owed. Under current law, the levy does not include additional daily interest accrued after the date of the levy, or the authority to issue notice to levy notices by electronic means.

Effect of Proposed Change

¹⁷ S. 220.222(2), F.S.

¹⁸ S. 220.32(3), F.S.

The bill amends s. 213.67, F.S., to authorize the Department to include all additional daily accrued interests, costs, and fees authorized by law to be included in garnishment levy. The bill allows the Department to deliver its notices of levy by electronic means.

B. SECTION DIRECTORY:

- Section 1: Amends s. 206.9931, F.S., removing obsolete language for a \$30 pollutant tax registration fee repealed in 2017.
- Section 2: Amends s. 212.05, F.S., removing the requirement that nonresident purchasers attest to having read statutory provisions and instead requires nonresident purchasers complete an affidavit that acknowledges compliance with the pertinent provisions of the statute.
- Section 3: Amends s. 212.054, F.S., clarifying that a boat and a boat trailer sold to the same purchaser at the same time and with both items located on the same invoice, are considered a single item for discretionary sales surtax purposes. Clarifies that the sale of the boat and the trailer is deemed to occur in the county where the purchaser resides.
- Section 4: Amends s. 213.21, F.S., allowing the Department of Revenue to reopen a final assessment or refund denial for purposes of settling or compromising a liability if the failure to initiate a timely challenge was the result of a specified qualifying event beyond the control of the taxpayer.
- Section 5: Amends s. 213.67, F.S., authorizing the Department of Revenue to include all additional daily accrued interests, costs, and fees authorized by law in garnishment levy and allows the Department to deliver its notices of levy by electronic means.
- Section 6: Amends s. 220.222, F.S. to increase the tentative tax return underpayment amount to more than the greater of \$6,000 or 30% of the tax shown on the return when filed.
- Section 7: Authorizes the Department of Revenue to adopt emergency rules for the purpose of implementing the act. Clarifies that adopted emergency rules are effective for 6 months after adoption and may be renewed during procedures to adopt permanent rules addressing the subject of the emergency rules.
- Section 8: Provides an effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

See FISCAL COMMENTS section.

2. Expenditures:

The Department of Revenue indicated that it would incur operational expenses of \$1,889 in FY 2023-24 and \$35,048 in FY 2024-25 to implement the provisions of the bill. The Department indicated that it would absorb the FY 2023-24 operational impact.¹⁹

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

See FISCAL COMMENTS section.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

The Revenue Estimating Conference (REC) adopted discrete estimated impacts on state and local government revenues for different sections of the bill. The estimated impacts on state government revenues are as follows:

- Allowing the Department of Revenue to reopen a final assessment or refund denial if the failure to initiate a timely challenge was the result of a specified qualifying event beyond the control of the taxpayer will have a negative, indeterminate impact on state tax revenue.
- Authorizing the Department of Revenue to include all additional daily accrued interests, costs, and fees authorized by law in garnishment levy and to deliver notices of levy for electronic means will have a positive, indeterminate impact on state tax revenue.
- Increasing the tentative tax return underpayment amount to more than the greater of \$6000 or 30% of the tax shown on the return when filed will have a negative, indeterminate impact on state tax revenue.

The estimated impacts on local government revenues are as follows:

- Clarifying that a boat and a boat trailer sold together under certain circumstances are considered a single item for discretionary sales surtax purposes will have a negative, indeterminate impact on local government tax revenue.
- Allowing the Department of Revenue to reopen a final assessment or refund denial if the failure to initiate a timely challenge was the result of a specified qualifying event beyond the control of the taxpayer will have a negative, indeterminate impact on local tax revenue.
- Authorizing the Department of Revenue to include all additional daily accrued interests, costs, and fees authorized by law in garnishment levy and to deliver notices of levy for electronic means will have a positive, indeterminate impact on local tax revenue.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not Applicable. This bill does not appear to directly affect county or municipal governments.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill authorizes the Department of Revenue to adopt emergency rules for the purpose of implementing the act. Adopted emergency rules are effective for 6 months after adoption and may be renewed during procedures to adopt permanent rules addressing the subject of the emergency rules.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

1 A bill to be entitled
2 An act relating to taxation; amending s. 206.9931,
3 F.S.; removing a registration fee for certain parties;
4 amending s. 212.05 F.S.; specifying the application of
5 an exemption for sales taxes for certain purchasers of
6 boats and aircrafts; amending s. 212.054, F.S.;
7 specifying that certain purchases are considered to be
8 a single item; specifying how to determine what county
9 certain sales occurred within; amending s. 213.21
10 F.S.; authorizing the department to consider specified
11 requests under certain circumstances; providing a
12 limitation; providing applicability; amending s.
13 213.67 F.S.; authorizing certain parties to include
14 additional specified amounts in a garnishment levy
15 notice; revising methods for delivery of levy notices;
16 amending s. 220.222, F.S.; revising the amount of
17 taxes that must be paid to be considered in compliance
18 with a specified statute; authorizing the Department
19 of Revenue to adopt emergency rules; providing for
20 future expiration of such authorization; providing an
21 effective date.

22
23 Be It Enacted by the Legislature of the State of Florida:

24
25 Section 1. Subsection (1) of section 206.9931, Florida

26 Statutes, is amended to read:

27 206.9931 Administrative provisions.—

28 (1) Any person producing in, importing into, or causing to
29 be imported into this state taxable pollutants for sale, use, or
30 otherwise and who is not registered or licensed pursuant to
31 other parts of this chapter is hereby required to register and
32 become licensed for the purposes of this part. Such person shall
33 register as either a producer or importer of pollutants and
34 shall be subject to all applicable registration and licensing
35 provisions of this chapter, as if fully set out in this part and
36 made expressly applicable to the taxes imposed herein,
37 including, but not limited to, ss. 206.02-206.025, 206.03,
38 206.04, and 206.05. For the purposes of this section,
39 registrations required exclusively for this part shall be made
40 within 90 days of July 1, 1986, for existing businesses, or
41 before ~~prior to~~ the first production or importation of
42 pollutants for businesses created after July 1, 1986. ~~The fee~~
43 ~~for registration shall be \$30.~~ Failure to timely register is a
44 misdemeanor of the first degree, punishable as provided in s.
45 775.082 or s. 775.083.

46 Section 2. Paragraph (a) of subsection (1) of section
47 212.05, Florida Statutes, is amended to read:

48 212.05 Sales, storage, use tax.—It is hereby declared to
49 be the legislative intent that every person is exercising a
50 taxable privilege who engages in the business of selling

51 | tangible personal property at retail in this state, including
52 | the business of making or facilitating remote sales; who rents
53 | or furnishes any of the things or services taxable under this
54 | chapter; or who stores for use or consumption in this state any
55 | item or article of tangible personal property as defined herein
56 | and who leases or rents such property within the state.

57 | (1) For the exercise of such privilege, a tax is levied on
58 | each taxable transaction or incident, which tax is due and
59 | payable as follows:

60 | (a)1.a. At the rate of 6 percent of the sales price of
61 | each item or article of tangible personal property when sold at
62 | retail in this state, computed on each taxable sale for the
63 | purpose of remitting the amount of tax due the state, and
64 | including each and every retail sale.

65 | b. Each occasional or isolated sale of an aircraft, boat,
66 | mobile home, or motor vehicle of a class or type which is
67 | required to be registered, licensed, titled, or documented in
68 | this state or by the United States Government shall be subject
69 | to tax at the rate provided in this paragraph. The department
70 | shall by rule adopt any nationally recognized publication for
71 | valuation of used motor vehicles as the reference price list for
72 | any used motor vehicle which is required to be licensed pursuant
73 | to s. 320.08(1), (2), (3)(a), (b), (c), or (e), or (9). If any
74 | party to an occasional or isolated sale of such a vehicle
75 | reports to the tax collector a sales price which is less than 80

76 | percent of the average loan price for the specified model and
77 | year of such vehicle as listed in the most recent reference
78 | price list, the tax levied under this paragraph shall be
79 | computed by the department on such average loan price unless the
80 | parties to the sale have provided to the tax collector an
81 | affidavit signed by each party, or other substantial proof,
82 | stating the actual sales price. Any party to such sale who
83 | reports a sales price less than the actual sales price is guilty
84 | of a misdemeanor of the first degree, punishable as provided in
85 | s. 775.082 or s. 775.083. The department shall collect or
86 | attempt to collect from such party any delinquent sales taxes.
87 | In addition, such party shall pay any tax due and any penalty
88 | and interest assessed plus a penalty equal to twice the amount
89 | of the additional tax owed. Notwithstanding any other provision
90 | of law, the Department of Revenue may waive or compromise any
91 | penalty imposed pursuant to this subparagraph.

92 | 2. This paragraph does not apply to the sale of a boat or
93 | aircraft by or through a registered dealer under this chapter to
94 | a purchaser who, at the time of taking delivery, is a
95 | nonresident of this state, does not make his or her permanent
96 | place of abode in this state, and is not engaged in carrying on
97 | in this state any employment, trade, business, or profession in
98 | which the boat or aircraft will be used in this state, or is a
99 | corporation none of the officers or directors of which is a
100 | resident of, or makes his or her permanent place of abode in,

101 | this state, or is a noncorporate entity that has no individual
102 | vested with authority to participate in the management,
103 | direction, or control of the entity's affairs who is a resident
104 | of, or makes his or her permanent abode in, this state. For
105 | purposes of this exemption, either a registered dealer acting on
106 | his or her own behalf as seller, a registered dealer acting as
107 | broker on behalf of a seller, or a registered dealer acting as
108 | broker on behalf of the nonresident purchaser may be deemed to
109 | be the selling dealer. This exemption is ~~shall~~ not be allowed
110 | unless:

111 | a. The nonresident purchaser removes a qualifying boat, as
112 | described in sub-subparagraph f., from this ~~the~~ state within 90
113 | days after the date of purchase or extension, or the nonresident
114 | purchaser removes a nonqualifying boat or an aircraft from this
115 | state within 10 days after the date of purchase or, when the
116 | boat or aircraft is repaired or altered, within 20 days after
117 | completion of the repairs or alterations; or if the aircraft
118 | will be registered in a foreign jurisdiction and:

119 | (I) Application for the aircraft's registration is
120 | properly filed with a civil airworthiness authority of a foreign
121 | jurisdiction within 10 days after the date of purchase;

122 | (II) The nonresident purchaser removes the aircraft from
123 | this ~~the~~ state to a foreign jurisdiction within 10 days after
124 | the date the aircraft is registered by the applicable foreign
125 | airworthiness authority; and

126 (III) The aircraft is operated in this ~~the~~ state solely to
127 remove it from this ~~the~~ state to a foreign jurisdiction.

128

129 For purposes of this sub-subparagraph, the term "foreign
130 jurisdiction" means any jurisdiction outside of the United
131 States or any of its territories;

132 b. The nonresident purchaser, within 90 days after ~~from~~
133 the date of departure, provides the department with written
134 proof that the nonresident purchaser licensed, registered,
135 titled, or documented the boat or aircraft outside this ~~the~~
136 state. If such written proof is unavailable, within 90 days the
137 nonresident purchaser must ~~shall~~ provide proof that the
138 nonresident purchaser applied for such license, title,
139 registration, or documentation. The nonresident purchaser shall
140 forward to the department proof of title, license, registration,
141 or documentation upon receipt;

142 c. The nonresident purchaser, within 30 days after
143 removing the boat or aircraft from this state ~~Florida~~, furnishes
144 the department with proof of removal in the form of receipts for
145 fuel, dockage, slippage, tie-down, or hangaring from outside of
146 Florida. The information so provided must clearly and
147 specifically identify the boat or aircraft;

148 d. The selling dealer, within 30 days after the date of
149 sale, provides to the department a copy of the sales invoice,
150 closing statement, bills of sale, and the original affidavit

151 signed by the nonresident purchaser affirming ~~attesting~~ that the
152 nonresident purchaser qualifies for exemption from sales tax
153 pursuant to this subparagraph and attesting that the nonresident
154 purchaser will provide the documentation required to
155 substantiate the exemption claimed under ~~he or she has read the~~
156 ~~provisions of this subparagraph section;~~

157 e. The seller makes a copy of the affidavit a part of his
158 or her record for as long as required by s. 213.35; and

159 f. Unless the nonresident purchaser of a boat of 5 net
160 tons of admeasurement or larger intends to remove the boat from
161 this state within 10 days after the date of purchase or when the
162 boat is repaired or altered, within 20 days after completion of
163 the repairs or alterations, the nonresident purchaser applies to
164 the selling dealer for a decal which authorizes 90 days after
165 the date of purchase for removal of the boat. The nonresident
166 purchaser of a qualifying boat may apply to the selling dealer
167 within 60 days after the date of purchase for an extension decal
168 that authorizes the boat to remain in this state for an
169 additional 90 days, but not more than a total of 180 days,
170 before the nonresident purchaser is required to pay the tax
171 imposed by this chapter. The department is authorized to issue
172 decals in advance to dealers. The number of decals issued in
173 advance to a dealer shall be consistent with the volume of the
174 dealer's past sales of boats which qualify under this sub-
175 subparagraph. The selling dealer or his or her agent shall mark

176 | and affix the decals to qualifying boats in the manner
 177 | prescribed by the department, before delivery of the boat.

178 | (I) The department is hereby authorized to charge dealers
 179 | a fee sufficient to recover the costs of decals issued, except
 180 | the extension decal shall cost \$425.

181 | (II) The proceeds from the sale of decals will be
 182 | deposited into the administrative trust fund.

183 | (III) Decals shall display information to identify the
 184 | boat as a qualifying boat under this sub-subparagraph,
 185 | including, but not limited to, the decal's date of expiration.

186 | (IV) The department is authorized to require dealers who
 187 | purchase decals to file reports with the department and may
 188 | prescribe all necessary records by rule. All such records are
 189 | subject to inspection by the department.

190 | (V) Any dealer or his or her agent who issues a decal
 191 | falsely, fails to affix a decal, mismarks the expiration date of
 192 | a decal, or fails to properly account for decals will be
 193 | considered prima facie to have committed a fraudulent act to
 194 | evade the tax and will be liable for payment of the tax plus a
 195 | mandatory penalty of 200 percent of the tax, and shall be liable
 196 | for fine and punishment as provided by law for a conviction of a
 197 | misdemeanor of the first degree, as provided in s. 775.082 or s.
 198 | 775.083.

199 | (VI) Any nonresident purchaser of a boat who removes a
 200 | decal before permanently removing the boat from this ~~the~~ state,

201 or defaces, changes, modifies, or alters a decal in a manner
202 affecting its expiration date before its expiration, or who
203 causes or allows the same to be done by another, will be
204 considered prima facie to have committed a fraudulent act to
205 evade the tax and will be liable for payment of the tax plus a
206 mandatory penalty of 200 percent of the tax, and shall be liable
207 for fine and punishment as provided by law for a conviction of a
208 misdemeanor of the first degree, as provided in s. 775.082 or s.
209 775.083.

210 (VII) The department is authorized to adopt rules
211 necessary to administer and enforce this subparagraph and to
212 publish the necessary forms and instructions.

213 (VIII) The department is hereby authorized to adopt
214 emergency rules pursuant to s. 120.54(4) to administer and
215 enforce the provisions of this subparagraph.

216
217 If the nonresident purchaser fails to remove the qualifying boat
218 from this state within the maximum 180 days after purchase or a
219 nonqualifying boat or an aircraft from this state within 10 days
220 after purchase or, when the boat or aircraft is repaired or
221 altered, within 20 days after completion of such repairs or
222 alterations, or permits the boat or aircraft to return to this
223 state within 6 months after ~~from~~ the date of departure, except
224 as provided in s. 212.08(7) (fff), or if the nonresident
225 purchaser fails to furnish the department with any of the

226 | documentation required by this subparagraph within the
 227 | prescribed time period, the nonresident purchaser is ~~shall be~~
 228 | liable for use tax on the cost price of the boat or aircraft
 229 | and, in addition thereto, payment of a penalty to the Department
 230 | of Revenue equal to the tax payable. This penalty shall be in
 231 | lieu of the penalty imposed by s. 212.12(2). The maximum 180-day
 232 | period following the sale of a qualifying boat tax-exempt to a
 233 | nonresident may not be tolled for any reason.

234 | Section 3. Paragraph (b) of subsection (2) and paragraph
 235 | (a) of subsection (3) of section 212.054, Florida Statutes, are
 236 | amended to read:

237 | 212.054 Discretionary sales surtax; limitations,
 238 | administration, and collection.—

239 | (2)

240 | (b) However:

241 | 1. The sales amount above \$5,000 on any item of tangible
 242 | personal property shall not be subject to the surtax. However,
 243 | charges for prepaid calling arrangements, as defined in s.
 244 | 212.05(1)(e)1.a., shall be subject to the surtax. For purposes
 245 | of administering the \$5,000 limitation on an item of tangible
 246 | personal property:7

247 | a. If two or more taxable items of tangible personal
 248 | property are sold to the same purchaser at the same time and,
 249 | under generally accepted business practice or industry standards
 250 | or usage, are normally sold in bulk or are items that, when

251 assembled, comprise a working unit or part of a working unit,
252 such items must be considered a single item for purposes of the
253 \$5,000 limitation when supported by a charge ticket, sales slip,
254 invoice, or other tangible evidence of a single sale or rental.

255 b. The sale of a boat and the corresponding boat trailer,
256 which is identified as a motor vehicle as defined in s.
257 320.01(1), shall be taxed as a single item when sold to the same
258 purchaser, at the same time, and located on the same invoice.

259 2. In the case of utility services billed on or after the
260 effective date of any such surtax, the entire amount of the
261 charge for utility services shall be subject to the surtax. In
262 the case of utility services billed after the last day the
263 surtax is in effect, the entire amount of the charge on said
264 items shall not be subject to the surtax. "Utility service," as
265 used in this section, does not include any communications
266 services as defined in chapter 202.

267 3. In the case of written contracts which are signed prior
268 to the effective date of any such surtax for the construction of
269 improvements to real property or for remodeling of existing
270 structures, the surtax shall be paid by the contractor
271 responsible for the performance of the contract. However, the
272 contractor may apply for one refund of any such surtax paid on
273 materials necessary for the completion of the contract. Any
274 application for refund shall be made no later than 15 months
275 following initial imposition of the surtax in that county. The

276 application for refund shall be in the manner prescribed by the
277 department by rule. A complete application shall include proof
278 of the written contract and of payment of the surtax. The
279 application shall contain a sworn statement, signed by the
280 applicant or its representative, attesting to the validity of
281 the application. The department shall, within 30 days after
282 approval of a complete application, certify to the county
283 information necessary for issuance of a refund to the applicant.
284 Counties are hereby authorized to issue refunds for this purpose
285 and shall set aside from the proceeds of the surtax a sum
286 sufficient to pay any refund lawfully due. Any person who
287 fraudulently obtains or attempts to obtain a refund pursuant to
288 this subparagraph, in addition to being liable for repayment of
289 any refund fraudulently obtained plus a mandatory penalty of 100
290 percent of the refund, is guilty of a felony of the third
291 degree, punishable as provided in s. 775.082, s. 775.083, or s.
292 775.084.

293 4. In the case of any vessel, railroad, or motor vehicle
294 common carrier entitled to partial exemption from tax imposed
295 under this chapter pursuant to s. 212.08(4), (8), or (9), the
296 basis for imposition of surtax shall be the same as provided in
297 s. 212.08 and the ratio shall be applied each month to total
298 purchases in this state of property qualified for proration
299 which is delivered or sold in the taxing county to establish the
300 portion used and consumed in intracounty movement and subject to

301 surtax.

302 (3) For the purpose of this section, a transaction shall
 303 be deemed to have occurred in a county imposing the surtax when:

304 (a)1. The sale includes an item of tangible personal
 305 property, a service, or tangible personal property representing
 306 a service, and the item of tangible personal property, the
 307 service, or the tangible personal property representing the
 308 service is delivered within the county. If there is no
 309 reasonable evidence of delivery of a service, the sale of a
 310 service is deemed to occur in the county in which the purchaser
 311 accepts the bill of sale.

312 2. The sale of any motor vehicle or mobile home of a class
 313 or type which is required to be registered in this state or in
 314 any other state shall be deemed to have occurred only in the
 315 county identified as the residence address of the purchaser on
 316 the registration or title document for such property.

317 3. The sale of property under sub-subparagraph (2) (b)1.b.
 318 shall be deemed to occur in the county where the purchaser
 319 resides, as identified on the registration or title documents
 320 for such property.

321 Section 4. Subsection (11) is added to section 213.21,
 322 Florida Statutes, to read:

323 213.21 Informal conferences; compromises.—

324 (11) (a) The department may consider a request to settle or
 325 compromise any tax, interest, penalty, or other liability under

326 this section after the time to challenge an assessment or a
327 denial of a refund under s. 72.011 has expired if the taxpayer
328 demonstrates that the failure to initiate a timely challenge was
329 due to:

330 1. The death or life-threatening injury or illness of:

331 a. The taxpayer;

332 b. An immediate family member of the taxpayer; or

333 c. An individual with substantial responsibility for the
334 management or control of the taxpayer;

335 2. An act of war or terrorism; or

336 3. A natural disaster, fire, or other catastrophic loss.

337 (b) The department may not consider a request received
338 more than 180 days after the time for filing a contest under s.
339 72.011 has expired.

340 (c) Any decision by the department regarding a taxpayer's
341 request to compromise or settle a liability under this
342 subsection is not subject to review under chapter 120.

343 Section 5. Subsections (1), (3), and (6) of section
344 213.67, Florida Statutes, are amended to read:

345 213.67 Garnishment.—

346 (1) If a person is delinquent in the payment of any taxes,
347 penalties, and interest, costs, surcharges, and fees owed to the
348 department, the executive director or his or her designee may
349 give notice of the amount of such delinquency by registered
350 mail, by personal service, or by electronic means, including,

351 but not limited to, facsimile transmissions, electronic data
352 interchange, or use of the Internet, to all persons having in
353 their possession or under their control any credits or personal
354 property, exclusive of wages, belonging to the delinquent
355 taxpayer, or owing any debts to such delinquent taxpayer at the
356 time of receipt by them of such notice. Thereafter, any person
357 ~~who has been~~ notified may not transfer or make any other
358 disposition of such credits, other personal property, or debts
359 until the executive director or his or her designee consents to
360 a transfer or disposition or until 60 days after the receipt of
361 such notice. However, the credits, other personal property, or
362 debts that exceed the delinquent amount stipulated in the notice
363 are not subject to this section, wherever held, if the taxpayer
364 does not have a prior history of tax delinquencies. If during
365 the effective period of the notice to withhold, any person so
366 notified makes any transfer or disposition of the property or
367 debts required to be withheld under this section, he or she is
368 liable to the state for any indebtedness owed to the department
369 by the person with respect to whose obligation the notice was
370 given to the extent of the value of the property or the amount
371 of the debts thus transferred or paid if, solely by reason of
372 such transfer or disposition, the state is unable to recover the
373 indebtedness of the person with respect to whose obligation the
374 notice was given. If the delinquent taxpayer contests the
375 intended levy in circuit court or under chapter 120, the notice

376 | under this section remains effective until that final resolution
 377 | of the contest. Any financial institution receiving such notice
 378 | maintains ~~will maintain~~ a right of setoff for any transaction
 379 | involving a debit card occurring on or before the date of
 380 | receipt of such notice.

381 | (3) During the last 30 days of the 60-day period set forth
 382 | in subsection (1), the executive director or his or her designee
 383 | may levy upon such credits, other personal property, or debts.
 384 | The levy must be accomplished by delivery of a notice of levy by
 385 | registered mail, by personal service, or by electronic means,
 386 | including, but not limited to, facsimile transmission or an
 387 | electronic data exchange process using a web interface. Upon
 388 | receipt of the notice of levy, which the person possessing the
 389 | credits, other personal property, or debts shall transfer them
 390 | to the department or pay to the department the amount owed to
 391 | the delinquent taxpayer.

392 | (6) (a) Levy may be made under subsection (3) upon credits,
 393 | other personal property, or debt of any person with respect to
 394 | any unpaid tax, penalties, ~~and~~ interest, costs, surcharges, and
 395 | fees authorized by law only after the executive director or his
 396 | or her designee has notified such person in writing of the
 397 | intention to make such levy.

398 | (b) No less than 30 days before the day of the levy, the
 399 | notice of intent to levy required under paragraph (a) must ~~shall~~
 400 | be given in person or sent by certified or registered mail to

401 the person's last known address.

402 (c) The notice required in paragraph (a) must include a
403 brief statement that sets forth in simple and nontechnical
404 terms:

405 1. The provisions of this section relating to levy and
406 sale of property;

407 2. The procedures applicable to the levy under this
408 section;

409 3. The administrative and judicial appeals available to
410 the taxpayer with respect to such levy and sale, and the
411 procedures relating to such appeals; and

412 4. Any ~~The~~ alternatives, ~~if any,~~ available to taxpayers
413 which could prevent levy on the property.

414 Section 6. Paragraph (c) of subsection (2) of section
415 220.222, Florida Statutes, is amended to read:

416 220.222 Returns; time and place for filing.—

417 (2)

418 (c)1. For purposes of this subsection, a taxpayer is not
419 in compliance with s. 220.32 if the taxpayer underpays the
420 required payment by more than the greater of \$6,000 ~~\$2,000~~ or 30
421 percent of the tax shown on the return when filed.

422 2. For the purpose of determining compliance with s.
423 220.32 as referenced in subparagraph 1., the tax shown on the
424 return when filed must include the amount of the allowable
425 credits taken on the return pursuant to s. 220.1875, s.

426 | 220.1876, s. 220.1877, or s. 220.1878.

427 | Section 7. (1) The Department of Revenue is authorized,
428 | and all conditions are deemed met, to adopt emergency rules
429 | pursuant to s. 120.54(4), Florida Statutes, for the purpose of
430 | implementing this act. Notwithstanding any other provision of
431 | law, emergency rules adopted pursuant to this subsection are
432 | effective for 6 months after adoption and may be renewed during
433 | the pendency of procedures to adopt permanent rules addressing
434 | the subject of the emergency rules.

435 | (2) This section is effective upon becoming law, and
436 | expires July 1, 2025.

437 | Section 8. Except as otherwise provided in this act, this
438 | act shall take effect July 1, 2024.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCS for HB 1161 Verification of Eligibility for Homestead Exemption

SPONSOR(S): Ways & Means Committee

TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Ways & Means Committee		Berg	Aldridge

SUMMARY ANALYSIS

Sections 196.081, 196.082, and 196.091, F.S., provide property tax benefits for homestead properties of certain veterans and surviving spouses. These benefits require application to the property appraise and documentation that supports the eligibility of the applicant to receive the benefit. The application and approval process takes place after a property is purchased.

The bill requires the Department of Revenue to provide a form that a county property appraiser may use to tentatively verify a veteran or surviving spouse who believes they will qualify for an exemption under s. 196.081, s. 196.082, or s. 196.091, F.S., once they purchase a homestead property. The form may only be issued if the person provides the forms, documentation, or other proof necessary to qualify for the relevant exemption, and the person must still apply after the purchase and in each subsequent year in order to receive the exemption (unless an annual application is otherwise not required). The tentative verification by the property appraiser is not binding on the taxpayer or the property appraiser. Decisions by the property appraiser regarding whether to issue a letter are not subject to administrative or judicial appeal.

The bill takes effect July 1, 2024.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Property Taxes in Florida

The Florida Constitution reserves ad valorem taxation to local governments and prohibits the state from levying ad valorem taxes on real and tangible personal property.¹ The ad valorem tax is an annual tax levied by counties, municipalities, school districts, and some special districts based on the value of real and tangible personal property as of January 1 of each year.² The Florida Constitution requires that all property be assessed at just value for ad valorem tax purposes,³ and it provides for specified assessment limitations, property classifications, and exemptions.⁴ After the property appraiser considers any assessment limitation or use classification affecting the just value of a property, an assessed value is produced. The assessed value is then reduced by any exemptions to produce the taxable value.⁵

Exemptions

Article VII, Section 6 of the Florida Constitution provides that every person who owns real estate with legal and equitable title, and maintains their permanent residence or the permanent residence of their dependent upon such real estate, is eligible for a \$25,000 homestead tax exemption applicable to all ad valorem tax levies including school district levies. An additional \$25,000 homestead exemption applies to homesteads that have an assessed value greater than \$50,000 and up to \$75,000, excluding school district levies.

The Florida Constitution provides other specific ad valorem exemptions. For example, Article VII, Section 3 of the Florida Constitution provides for specific exemptions from property taxes for widows and widowers, blind persons, and persons who are totally and permanently disabled.

Property Tax Exemptions for Veterans and Surviving Spouses

Florida law provides several property tax exemptions for disabled veterans and their surviving spouses. These include exemptions for the following persons:

- A veteran with a total and permanent service-connected disability is entitled to a complete exemption for property owned and used as a homestead.⁶
- A veteran with a total service-connected disability that confines him or her to a wheelchair is entitled to a complete exemption for property owned and used as a homestead.⁷ Upon the veteran's death, the exemption carries over to the veteran's un-remarried surviving spouse.⁸

¹ Art. VII, s. 1(a), Fla. Const.

² S. 192.001(12), F.S., defines "real property" as land, buildings, fixtures, and all other improvements to land. The terms "land," "real estate," "realty," and "real property" may be used interchangeably. S. 192.001(11)(d), F.S., defines "tangible personal property" as all goods, chattels, and other articles of value (but does not include the vehicular items enumerated in Art. VII, s. 1(b), Fla. Const., and elsewhere defined) capable of manual possession and whose chief value is intrinsic to the article itself.

³ Art. VII, s. 4, Fla. Const.

⁴ Art. VII, ss. 3, 4, and 6, Fla. Const.

⁵ S. 196.031, F.S.

⁶ Art. VII, s. 3(b), Fla. Const.; s. 196.081, F.S.

⁷ S. 196.091(1), F.S.

⁸ S. 196.091(3), F.S.

- The un-remarried surviving spouse of a veteran who died while on active duty is entitled to a complete exemption for property owned and used as a homestead if the veteran was a permanent resident of Florida on the day he or she died.⁹

Applications for Property Tax Exemptions for Veterans and Surviving Spouses

Each person or organization who meets the criteria for an ad valorem tax exemption may claim the exemption if the claimant held legal title to the real or personal property subject to the exemption on January 1.¹⁰ The application for exemption must be filed with the property appraiser on or before March 1 and failure to make an application constitutes a waiver of the exemption for that year. The application must list and describe the property for which the exemption is being claimed and certify the ownership and use of the property. The claimant must reapply for the exemption on an annual basis, unless the property appraiser (subject to approval by a vote of the governing body of the county) has waived the annual application requirement for property after an initial application is made and the exemption granted.¹¹

No formal application can be made for an ad valorem tax exemption before the purchase of the property.

Effect of the Bill

The bill requires the Department of Revenue to provide a form that a county property appraiser may use to tentatively verify a veteran or surviving spouse who believes they will qualify for an exemption under s. 196.081, s. 196.082, or s. 196.091, F.S., once they purchase a homestead property. The form may only be issued if the person provides the forms, documentation, or other proof necessary to qualify for the relevant exemption, and the person must still apply after the purchase and in each subsequent year in order to receive the exemption (unless an annual application is otherwise not required). The tentative verification by the property appraiser is not binding on the taxpayer or the property appraiser. Decisions by the property appraiser regarding whether to issue a letter are not subject to administrative or judicial appeal.

The bill takes effect July 1, 2024.

B. SECTION DIRECTORY:

Section 1: Creates s. 196.092, F.S., requiring the Department of Revenue to provide a form.

Section 2: Provides an effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

⁹ S. 196.081(4), F.S.

¹⁰ S. 196.011(1)(a), F.S.

¹¹ S. 196.011(5) and (9)(a), F.S.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Individuals who receive a tentative verification letter under this provision may be able to qualify for a larger mortgage than would otherwise be available to them, depending on lender practices.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not Applicable. This bill does not appear to require counties or municipalities to spend funds or take action requiring the expenditures of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

1 A bill to be entitled
 2 An act relating to verification of eligibility for
 3 homestead exemption; requiring the Department of
 4 Revenue to provide a form; allowing property
 5 appraisers to provide tentative verification of
 6 eligibility for specified exemptions prior to
 7 purchasing a homestead property; providing that
 8 specified decisions are not subject to review;
 9 providing an effective date.

10
 11 Be It Enacted by the Legislature of the State of Florida:

12
 13 Section 1. Section 196.092, Florida Statutes, is created
 14 to read:

15 196.092 Verification of eligibility for certain disabled
 16 veterans and surviving spouses.-- The Department of Revenue
 17 shall provide a form that a county property appraiser may use,
 18 at his or her discretion, to provide a person with tentative
 19 verification of that person's eligibility to receive an
 20 exemption or a discount under s. 196.081, s. 196.082, or s.
 21 196.091, after submission by a person of the forms,
 22 documentation, and other proof necessary to qualify for the
 23 relevant exemption or discount after purchase of a homestead
 24 property. The form must indicate that such tentative
 25 verification of eligibility is not binding upon the county

26 | property appraiser and that the person must comply with the
 27 | annual application requirements of s. 196.011 and the
 28 | requirements of s. 196.081, s. 196.082, or s. 196.091 in order
 29 | to receive the exemption or discount authorized by those
 30 | provisions. Decisions by a county property appraiser regarding
 31 | whether to consider a request for tentative verification of
 32 | eligibility for an exemption under this section; or a person's
 33 | apparent eligibility to receive an exemption or a discount under
 34 | s. 196.081, s. 196.082, or s. 196.091 after submission by a
 35 | person of the forms, documentation, and other proof necessary to
 36 | qualify for the relevant exemption or discount after purchase of
 37 | a homestead property; are not subject to administrative or
 38 | judicial review under ch. 194.

39 | Section 2. This act shall take effect July 1, 2024.

1 A bill to be entitled
2 An act relating to a property tax system study;
3 requiring the Office of Program Policy Analysis and
4 Government Accountability to conduct a study and
5 submit a report by a specified date; providing an
6 effective date.

7
8 Be It Enacted by the Legislature of the State of Florida:

9
10 Section 1. The Office of Program Policy Analysis and
11 Government Accountability (OPPAGA) shall study the potential
12 impact of eliminating all property tax and replacing lost
13 revenue through the establishment of a consumption tax. OPPAGA
14 shall submit a report on its findings to the President of the
15 Senate and the Speaker of the House of Representatives by July
16 1, 2025.

17 Section 2. This act shall take effect upon becoming a law.
18

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCS for HB 1371 Property Tax Exemptions
SPONSOR(S): Ways & Means Committee
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Ways & Means Committee		Rexford	Aldridge

SUMMARY ANALYSIS

The Florida Constitution reserves ad valorem taxation to local governments and prohibits the state from levying ad valorem taxes on real and tangible personal property. The ad valorem tax is an annual tax levied by counties, municipalities, school districts, and some special districts based on the value of real and tangible personal property as of January 1 of each year.

Florida levies a six percent sales and use tax on the sale or rental of most tangible personal property, admissions, transient rentals, and a limited number of services. Statute prescribes for the levy and collection of Florida's sales and use tax and provides the exemptions and credits applicable to certain items or uses under specified circumstances. Counties are authorized to impose local discretionary sales surtaxes in addition to the state sales tax.

The Office of Policy Analysis and Government Accountability (OPPAGA) conducts research, evaluations, and policy reviews of government programs for the Florida Legislature. It also provides research and technical assistance to legislators and legislative committees.

The bill requires OPPAGA to study the potential impact of eliminating all property tax and replacing the lost revenue with a consumption tax. OPPAGA must submit a report on its findings to the President of the Senate and the Speaker of the House of Representatives by July 1, 2025.

The bill is effective upon becoming law.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

Property Taxes in Florida

The Florida Constitution reserves ad valorem taxation to local governments and prohibits the state from levying ad valorem taxes on real and tangible personal property.¹ The ad valorem tax is an annual tax levied by counties, municipalities, school districts, and some special districts based on the value of real and tangible personal property as of January 1 of each year.² The Florida Constitution requires that all property be assessed at just value for ad valorem tax purposes,³ and it provides for specified assessment limitations, property classifications, and exemptions.⁴ After the property appraiser considers any assessment limitation or use classification affecting the just value of a property, an assessed value is produced. The assessed value is then reduced by any exemptions to produce the taxable value.⁵

Florida Sales and Use Tax

Florida levies a six percent sales and use tax on the sale or rental of most tangible personal property,⁶ admissions,⁷ transient rentals,⁸ and a limited number of services. Chapter 212, F.S., authorizes the levy and collection of Florida's sales and use tax and provides the exemptions and credits applicable to certain items or uses under specified circumstances. Sales tax is added to the price of the taxable good or service and collected from the purchaser at the time of sale.⁹

Counties are authorized to impose local discretionary sales surtaxes in addition to the state sales tax.¹⁰ A surtax applies to "all transactions occurring in the county which transactions are subject to the state tax imposed on sales, use, services, rentals, admissions, and other transactions by [ch. 212, F.S.], and communications services as defined in ch. 202."¹¹ The discretionary sales surtax is based on the tax rate imposed by the county where the taxable goods or services are sold or delivered. Discretionary sales surtax rates currently being levied vary by county in a range of 0.5 to 2 percent.¹²

OPPAGA

The Office of Policy Analysis and Government Accountability (OPPAGA) conducts research, evaluations, and policy reviews of government programs for the Florida Legislature. It also provides

¹ Art. VII, s. 1(a), Fla. Const.

² S. 192.001(12), F.S., defines "real property" as land, buildings, fixtures, and all other improvements to land. The terms "land," "real estate," "realty," and "real property" may be used interchangeably. S. 192.001(11)(d), F.S., defines "tangible personal property" as all goods, chattels, and other articles of value (but does not include the vehicular items enumerated in Art. VII, s. 1(b), Fla. Const., and elsewhere defined) capable of manual possession and whose chief value is intrinsic to the article itself.

³ Art. VII, s. 4, Fla. Const.

⁴ Art. VII, ss. 3, 4, and 6, Fla. Const.

⁵ S. 196.031, F.S.

⁶ S. 212.05(1)(a)1.a., F.S.

⁷ S. 212.04(1)(b), F.S.

⁸ S. 212.03(1)(a), F.S.

⁹ S. 212.07(2), F.S.

¹⁰ S. 212.055, F.S.

¹¹ Section 212.054(2)(a), F.S.

¹² Office of Economic and Demographic Research, The Florida Legislature, *Florida Tax Handbook*, 2023 Local Discretionary Sales Surtax Rates in Florida's Counties, 235-236, available at <http://edr.state.fl.us/Content/revenues/reports/tax-handbook/taxhandbook2023.pdf> (last visited Jan. 24, 2024).

research and technical assistance to legislators and legislative committees. OPPAGA was created by the Legislature in 1994 to help improve the performance and accountability of state government.¹³

Effect of Proposed Changes

The bill requires OPPAGA to study the potential impact of eliminating all property tax and replacing the lost revenue with a consumption tax. OPPAGA must submit a report on its findings to the President of the Senate and the Speaker of the House of Representatives by July 1, 2025.

B. SECTION DIRECTORY:

Section 1: Requires 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.

Section 2: Provides an effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not Applicable. This bill does not appear to affect county or municipal governments.

2. Other:

¹³ About OPPAGA, oppaga.fl.gov/About (last visited Jan. 24, 2024).

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	<u> </u>	(Y/N)
ADOPTED AS AMENDED	<u> </u>	(Y/N)
ADOPTED W/O OBJECTION	<u> </u>	(Y/N)
FAILED TO ADOPT	<u> </u>	(Y/N)
WITHDRAWN	<u> </u>	(Y/N)
OTHER	<u> </u>	

1 Committee/Subcommittee hearing bill: Ways & Means Committee
2 Representative Chamberlin offered the following:

3

4 **Amendment**

5 Remove line 15 and insert:

6 Senate and the Speaker of the House of Representatives by
7 February

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCS for HB 1649 Ad Valorem Taxation

SPONSOR(S): Ways & Means Committee

TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Ways & Means Committee		Berg	Aldridge

SUMMARY ANALYSIS

The bill, known as the "Taxpayer Empowerment Act," makes various changes to the process of determining accurate assessments of property for the purpose of collecting ad valorem taxes.

The bill:

- Amends the timeline for a property appraiser to appeal a decision of the Value Adjustment Board;
- Reduces situations in which an error in assessed value results in a homestead property owner being assessed back taxes, interest, and penalties; and
- Increases the types of appeals a Value Adjustment Board may hear.

The bill has not been reviewed by the Revenue Estimating Conference this year. Based on review of similar language by the Revenue Estimating Conference last year, staff estimates that the bill may have a total impact on local government revenues in FY 2024-25 of \$0.0 cash and -\$38.1 million recurring.

The bill is effective July 1, 2024.

This bill may be a county or municipality mandate requiring a two-thirds vote of the membership of the House. See Section III.A.1 of the analysis.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

General Overview of Property Taxation

The ad valorem tax or “property tax” is an annual tax levied by counties, municipalities, school districts, and some special districts. The tax is based on the taxable value of property as of January 1 of each year.¹ The property appraiser annually determines the assessed or “just value”² of property within the taxing authority and then applies relevant exclusions, assessment limitations, and exemptions to determine the property’s “taxable value.”³ Tax bills are mailed in November of each year based on the previous January 1 valuation and payment is due by March 31.

The Florida Constitution prohibits the state from levying ad valorem taxes⁴ and limits the Legislature’s authority to provide for property valuations at less than just value, unless expressly authorized.⁵

The just valuation standard generally requires the property appraiser to consider the highest and best use of property;⁶ however, the Florida Constitution authorizes certain types of property to be valued based on their current use (classified use assessments), which often result in lower assessments. Properties that receive classified use treatment in Florida include: agricultural land, land producing high water recharge to Florida’s aquifers, and land used exclusively for noncommercial recreational purposes;⁷ land used for conservation purposes;⁸ historic properties when authorized by the county or municipality;⁹ and certain working waterfront property.¹⁰

Property Tax Exemptions for Homesteads

Statewide Homestead Exemption

Every person having legal and equitable title to real estate and who maintains a permanent residence on the real estate (homestead property) is eligible for a \$25,000 tax exemption applicable to all ad valorem tax levies, including levies by school districts.¹¹ An additional \$25,000 exemption applies to homestead property value between \$50,000 and \$75,000.¹² This exemption does not apply to ad valorem taxes levied by school districts.

Additional Homestead Exemptions

The Florida Constitution authorizes additional homestead exemptions, either directly through legislation or through statutory permission for local governments to enact:

¹ Both real property and tangible personal property are subject to tax. Section 192.001(12), F.S., defines “real property” as land, buildings, fixtures, and all other improvements to land. Section 192.001(11)(d), F.S., defines “tangible personal property” as all goods, chattels, and other articles of value capable of manual possession and whose chief value is intrinsic to the article itself.

² Property must be valued at “just value” for purposes of property taxation, unless the Florida Constitution provides otherwise. FLA. CONST. art VII, s. 4. Just value has been interpreted by the courts to mean the fair market value that a willing buyer would pay a willing seller for the property in an arm’s-length transaction. See *Walter v. Shuler*, 176 So. 2d 81 (Fla. 1965); *Deltona Corp. v. Bailey*, 336 So. 2d 1163 (Fla. 1976); *Southern Bell Tel. & Tel. Co. v. Dade County*, 275 So. 2d 4 (Fla. 1973).

³ See s. 192.001(2) and (16), F.S.

⁴ FLA. CONST. art. VII, s. 1(a).

⁵ See FLA. CONST. art. VII, s. 4.

⁶ Section 193.011(2), F.S.

⁷ FLA. CONST. art. VII, s. 4(a).

⁸ FLA. CONST. art. VII, s. 4(b).

⁹ FLA. CONST. art. VII, s. 4(e).

¹⁰ FLA. CONST. art. VII, s. 4(j).

¹¹ FLA. CONST. art VII, s. 6(a) and s. 196.031, F.S.

¹² Section 196.031(1)(b), F.S.

- An exemption not exceeding \$50,000 in home value for any low-income senior.¹³
- An exemption of the entire assessed value of a low-income senior's homestead with a just value less than \$250,000 if he or she has maintained that homestead for not less than 25 years.^{14, 15}
- A veteran or first responder¹⁶ with a total and permanent service-connected disability is entitled to a complete exemption for property owned and used as a homestead.¹⁷
- A veteran with a total service-connected disability that confines him or her to a wheelchair is entitled to a complete exemption for property owned and used as a homestead. Upon the veteran's death, the exemption carries over to the veteran's unremarried surviving spouse.¹⁸
- A veteran disabled to a degree of 10 percent or more by misfortune or during wartime service is entitled to an exemption for any property up to \$5,000. Upon the death of the veteran, the exemption carries over to the veteran's unremarried surviving spouse.¹⁹
- The unremarried surviving spouse of a veteran or first responder who died while on active duty is entitled to a complete exemption for property owned and used as a homestead if the veteran was a permanent resident of Florida on the day he or she died.²⁰
- Certain combat-disabled veterans are entitled to a discount on their homestead property taxes.²¹

Limitation on Annual Increases in Assessments for Homestead Properties

The Florida Constitution²² provides that, for those entitled to a homestead exemption, the assessed value of the homestead shall be changed annually on January 1st of each year, but those changes in assessments shall not exceed the lesser of three percent of the prior year's assessment or the percent change in the Consumer Price Index²³ for the preceding calendar year.²⁴

Improperly Granted Homestead Exemptions

Section 196.161, F.S., provides a mechanism for recovery of taxes from persons improperly granted a homestead exemption. Section 196.161(1)(b), F.S., provides that if the property appraiser determines that a person was not entitled to a homestead exemption for any time within the prior 10 years, then the property appraiser must record a tax lien against the property. In addition to the property being liable for all taxes exempt, there is a penalty of 50 percent of the unpaid taxes for each year, plus 15 percent interest per year. However, penalties and interest are not due when the exemption was improperly granted as a result of a clerical error or an omission by the property appraiser.

Error in Assessments

If an error is made in the assessment of homestead property through either material mistake of fact by the property appraiser or new construction of which the property appraiser was not aware, the property appraiser must recalculate the just and assessed values for each year beginning with the year the

¹³ Implementing FLA. CONST. art. VII, s. 6(d)(1).

¹⁴ Implementing FLA. CONST. art. VII, s. 6(d)(2)

¹⁵ Taxpayers who initially receive the exemption are denied the exemption in a later year if the just value of their homestead exceeds \$250,000.

¹⁶ "First responder" in this context means a law enforcement officer or correctional officer as defined in s. 943.10, a firefighter as defined in s. 633.102, or an emergency medical technician or paramedic as defined in s. 401.23 who is a full-time paid employee, part-time paid employee, or unpaid volunteer. Section 196.081(6)(c)1., F.S.

¹⁷ Sections 196.081 and 196.102, F.S.

¹⁸ Section 196.091(1) and (3), F.S.

¹⁹ Section 196.24, F.S.

²⁰ Section 196.081(4), (6) F.S.

²¹ Section 196.082, F.S.

²² As amended by Constitutional Amendment 10 (1992), commonly referred to as the "Save Our Homes" initiative.

²³ Specifically the Consumer Price Index for All Urban Consumers, U.S. City Average, all items 1967=100, or successor reports.

²⁴ FLA. CONST. art. VII, s. 4(d)(1), implemented by section 193.155, F.S.

mistake first occurred.²⁵ A property owner who has benefited from such a mistaken assessment may be subject to liability for unpaid back taxes.²⁶

The Value Adjustment Board Process

Each county has a Value Adjustment Board (VAB), comprised of two members of the governing body of the county, one member of the school board, and two citizen members appointed by the governing body of the county.²⁷ The county clerk acts as the clerk of the VAB.²⁸ The VAB may meet for the following enumerated reasons:²⁹

- Hearing petitions relating to assessments filed pursuant to s. 194.011(3), F.S.;
- Hearing complaints relating to homestead exemptions;
- Hearing appeals from exemptions denied, or disputes arising from exemptions granted, upon the filing of exemption applications;
- Hearing appeals concerning ad valorem tax deferrals and classifications; and
- Hearing appeals from determinations that a change of ownership or control, or a qualifying improvement has occurred.

A property owner may initiate an assessment valuation challenge by filing a petition with the clerk of the VAB within 25 days after the mailing of the TRIM notice.³⁰

The clerk of the VAB will schedule the petition for a hearing, during which a special magistrate will hear testimony and make a recommendation to the VAB on how the petition should be resolved.³¹ The VAB renders a written decision within 20 calendar days after the last day the VAB is in session.³² The decision of the VAB must contain findings of fact and conclusions of law and must include reasons for upholding or overturning the determination of the property appraiser.³³ The clerk of the VAB, upon issuance of a decision, must notify each taxpayer and the property appraiser of the decision of the VAB.³⁴

Appeals of VAB Decisions

The property appraiser may appeal a decision of the VAB in circuit court if one of the following criteria are met:³⁵

- The property appraiser determines and affirmatively asserts in any legal proceeding that there is a specific constitutional or statutory violation, or a specific violation of administrative rules, in the decision of the VAB;
- There is a variance from the property appraiser's assessed value in excess of the following:
 - 20 percent variance from any assessment of \$250,000 or less;
 - 15 percent variance from any assessment in excess of \$250,000 but not in excess of \$1 million;
 - 10 percent variance from any assessment in excess of \$1 million but not in excess of \$2.5 million; or

²⁵ Section 193.155(9), F.S.

²⁶ Section 193.092, F.S.

²⁷ Section 194.015, F.S.

²⁸ *Id.*

²⁹ Section 194.032, F.S.

³⁰ Section 194.011(3)(d), F.S. The TRIM (Truth in Millage) notice informs a property owner of total ad valorem tax liability as well as other information about the assessment and millage rates. With respect to an issue involving the denial of an exemption, an agricultural or high-water recharge classification application, an application for classification as historic property used for commercial or certain nonprofit purposes, or a deferral, the petition must be filed at any time during the taxable year on or before the 30th day following the mailing of the notice by the property appraiser.

³¹ Section 194.035, F.S.

³² Section 194.034(2), F.S.

³³ *Id.*

³⁴ *Id.*

³⁵ Section. 194.036, F.S.

- 5 percent variance from any assessment in excess of \$2.5 million; or
- There is an assertion by the property appraiser to the Department of Revenue that there exists a consistent and continuous violation of the intent of the law or administrative rules by the VAB in its decisions.

An appeal by the property appraiser must be initiated either before the property appraiser extends the tax rolls following initial certification, or within 30 days of final recertification following an extension which occurs prior to completion of VAB hearings.³⁶ An appeal by the taxpayer must be brought within 60 days from the date a decision is rendered by the VAB.³⁷

Effect of Proposed Changes

The bill amends s. 193.122, F.S., to provide that, when a county extends tax rolls prior to the completion of VAB hearings, 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 amends s. 193.155, F.S., to provide that if an error is made in the assessment of homestead property by way of material mistake of fact 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 bill also provides that if unpermitted changes, additions, or improvements are not assessed on the first January 1st after they are substantially completed, the assessment may be corrected from the later of the year following substantial completion or ten years prior; the recalculated value will be first applied in the year the mistake is discovered; and no back taxes will be due.

Additionally, the bill provides that in the event that a property appraiser has improperly granted an assessment limitation under s. 193.155, F.S., as a result of clerical mistake or omission the property owner may not be assessed back taxes, penalty, or interest. Further, a property appraiser's error which grants an improper assessment limitation under s. 193.1554 or 193.1555, F.S.; or an exemption under s. 196.011, F.S.; will also not result in back taxes, penalty, or interest.

Finally, the bill amends s. 194.032, F.S., to provide two new purposes for the VAB to meet, and therefore two new types of appeals the VAB may hear:

- Hearing appeals concerning the validity or amount of assessed back taxes.
- Hearing appeals on the issue of whether a tangible personal property return was timely filed for the purposes of contesting related assessments and waiving penalties.

The bill may be cited as the "Taxpayer Empowerment Act."

The bill is effective January 1, 2024.

B. SECTION DIRECTORY:

Section 1: Provides a short title for the bill.

Section 2: Amends s. 193.122, F.S., relating to appeals of value adjustment board decisions by the property appraiser.

Section 3: Amends s. 193.155, F.S., relating to corrections to erroneous assessments.

Section 4: Amends s. 193.1554, F.S., relating to corrections to erroneous assessments.

³⁶ Section 193.122(4), F.S.

³⁷ Section 194.171(2), F.S.

- Section 5: Amends s. 193.1555, F.S., relating to corrections to erroneous assessments.
- Section 6: Amends s. 194.032, F.S., revising the types of appeals a value adjustment board may hear.
- Section 7: Amends s. 196.011, F.S., providing that taxpayers are not responsible for certain payments of back taxes, interest, or penalties if caused by a mistake of the property appraiser.
- Section 8: Provides an effective date of July 1, 2024.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

The bill has not been reviewed by the Revenue Estimating Conference this year. Based on review of similar language by the Revenue Estimating Conference last year, staff estimates that the bill may have a total impact on local government revenues in FY 2024-25 of \$0.0 cash and -\$38.1 million recurring.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Unknown.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The county/municipality mandates provision of Art. VII, section 18, of the Florida Constitution may apply because this bill reduces the situations in which back taxes, interest, and penalties are assessed. The bill does not appear to qualify under any exemption or exception. If the bill does qualify as a mandate, final passage must be approved by two-thirds of the membership of each house of the Legislature.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

1 A bill to be entitled
 2 An act relating to property tax administration;
 3 providing a short title; amending s. 193.122, F.S.;
 4 revising the timeframe under which certain appeals of
 5 value adjustment board decisions must be filed by a
 6 property appraiser; amending s. 193.155, F.S.;
 7 specifying when and how erroneous assessments of
 8 property must be corrected; removing a calculation of
 9 back taxes; amending s. 193.1554, F.S.; specifying
 10 when and how erroneous assessments of certain property
 11 must be corrected; removing a calculation of back
 12 taxes; amending s. 193.1555, F.S.; specifying when and
 13 how erroneous assessments of homestead property must
 14 be corrected; removing a calculation of back taxes;
 15 amending s. 194.032, F.S.; adding appeals for which a
 16 value adjustment board must meet to hear specified
 17 appeals; amending s. 196.011, F.S.; providing that
 18 taxpayers are not responsible for specified payments
 19 in certain circumstances; providing an effective date.

20
 21 Be It Enacted by the Legislature of the State of Florida:

22
 23 Section 1. This act may be cited as the "Taxpayer
 24 Empowerment Act."

25 Section 2. Subsection (4) of section 193.122, Florida

26 Statutes, is amended to read:

27 193.122 Certificates of value adjustment board and
28 property appraiser; extensions on the assessment rolls.—

29 (4) An appeal of a value adjustment board decision
30 pursuant to s. 194.036(1) (a) or (b) by the property appraiser
31 shall be filed prior to extension of the tax roll under
32 subsection (2) or, if the roll was extended pursuant to s.
33 197.323, within 30 days after the date a decision is rendered
34 concerning such assessment by the value adjustment board ~~of~~
35 ~~recertification under subsection (3)~~. The roll may be certified
36 by the property appraiser prior to an appeal being filed
37 pursuant to s. 194.036(1) (c), but such appeal shall be filed
38 within 20 days after receipt of the decision of the department
39 relative to further judicial proceedings.

40 Section 3. Subsections (9) and (10) of section 193.155,
41 Florida Statutes, are amended to read:

42 193.155 Homestead assessments.—Homestead property shall be
43 assessed at just value as of January 1, 1994. Property receiving
44 the homestead exemption after January 1, 1994, shall be assessed
45 at just value as of January 1 of the year in which the property
46 receives the exemption unless the provisions of subsection (8)
47 apply.

48 (9) Erroneous assessments of homestead property assessed
49 under this section may be corrected in the following manner:

50 (a) If errors are made in arriving at any assessment under

51 | this section due to a material mistake of fact concerning an
 52 | essential characteristic of the property, the just value and
 53 | assessed value must be recalculated for every such year,
 54 | including the year in which the mistake occurred, but the
 55 | recalculated values shall be first applied to the tax roll in
 56 | the year the mistake is discovered. No back taxes shall be due
 57 | for any year as a result of recalculations under this paragraph.

58 | (b) If changes, additions, or improvements are not
 59 | assessed at just value as of the first January 1 after they were
 60 | substantially completed, the property appraiser shall determine
 61 | the just value for such changes, additions, or improvements for
 62 | the year they were substantially completed. Assessments for
 63 | subsequent years shall be corrected, applying this section if
 64 | applicable; provided, however, that if a building permit was
 65 | required and has not been issued by the county, the assessment
 66 | may be corrected from the later of the year following
 67 | substantial completion or 10 years prior. The recalculated
 68 | values shall be first applied to the tax roll in the year the
 69 | mistake is discovered. No back taxes shall be due for any year
 70 | as a result of recalculations under this paragraph.

71 | ~~(c) If back taxes are due pursuant to s. 193.092, the~~
 72 | ~~corrections made pursuant to this subsection shall be used to~~
 73 | ~~calculate such back taxes.~~

74 | (10) If the property appraiser determines that for any
 75 | year or years within the prior 10 years a person who was not

76 | entitled to the homestead property assessment limitation granted
 77 | under this section was granted the homestead property assessment
 78 | limitation, the property appraiser making such determination
 79 | shall serve upon the owner a notice of intent to record in the
 80 | public records of the county a notice of tax lien against any
 81 | property owned by that person in the county, and such property
 82 | must be identified in the notice of tax lien. Such property that
 83 | is situated in this state is subject to the unpaid taxes, plus a
 84 | penalty of 50 percent of the unpaid taxes for each year and 15
 85 | percent interest per annum. However, when a person entitled to
 86 | exemption pursuant to s. 196.031 inadvertently receives the
 87 | limitation pursuant to this section following a change of
 88 | ownership or if the property appraiser improperly grants the
 89 | property assessment limitation as a result of a clerical mistake
 90 | or an omission, the assessment of such property may ~~must~~ be
 91 | corrected as provided in paragraph (9) (a), and the person need
 92 | not pay the unpaid taxes, penalties, or interest. Before a lien
 93 | may be filed, the person or entity so notified must be given 30
 94 | days to pay the taxes and any applicable penalties and interest.
 95 | ~~If the property appraiser improperly grants the property~~
 96 | ~~assessment limitation as a result of a clerical mistake or an~~
 97 | ~~omission, the person or entity improperly receiving the property~~
 98 | ~~assessment limitation may not be assessed a penalty or interest.~~

99 | Section 4. Subsections (9) and (10) of section 193.1554,
 100 | Florida Statutes, are amended to read:

101 193.1554 Assessment of nonhomestead residential property.—

102 (9) Erroneous assessments of nonhomestead residential
 103 property assessed under this section may be corrected in the
 104 following manner:

105 (a) If errors are made in arriving at any assessment under
 106 this section due to a material mistake of fact concerning an
 107 essential characteristic of the property, the just value and
 108 assessed value must be recalculated for every such year,
 109 including the year in which the mistake occurred, but the
 110 recalculated values shall be first applied to the tax roll in
 111 the year the mistake is discovered. No back taxes shall be due
 112 for any year as a result of recalculations under this paragraph.

113 (b) If changes, additions, or improvements are not
 114 assessed at just value as of the first January 1 after they were
 115 substantially completed, the property appraiser shall determine
 116 the just value for such changes, additions, or improvements for
 117 the year they were substantially completed. Assessments for
 118 subsequent years shall be corrected, applying this section if
 119 applicable; provided, however, that if a building permit was
 120 required and has not been issued by the county, the assessment
 121 may be corrected from the later of the year following
 122 substantial completion or 10 years prior. The recalculated
 123 values shall be first applied to the tax roll in the year the
 124 mistake is discovered. No back taxes shall be due for any year
 125 as a result of recalculations under this paragraph.

126 ~~(c) If back taxes are due pursuant to s. 193.092, the~~
 127 ~~corrections made pursuant to this subsection shall be used to~~
 128 ~~calculate such back taxes.~~

129 (10) If the property appraiser determines that for any
 130 year or years within the prior 10 years a person or entity who
 131 was not entitled to the property assessment limitation granted
 132 under this section was granted the property assessment
 133 limitation, the property appraiser making such determination
 134 shall serve upon the owner a notice of intent to record in the
 135 public records of the county a notice of tax lien against any
 136 property owned by that person or entity in the county, and such
 137 property must be identified in the notice of tax lien. Such
 138 property that is situated in this state is subject to the unpaid
 139 taxes, plus a penalty of 50 percent of the unpaid taxes for each
 140 year and 15 percent interest per annum. However, if the property
 141 assessment limitation is granted as a result of a clerical
 142 mistake or an omission by the property appraiser, the taxpayer
 143 need not pay the unpaid taxes, penalties, or interest. Before a
 144 lien may be filed, the person or entity so notified must be
 145 given 30 days to pay the taxes and any applicable penalties and
 146 interest. If the property appraiser improperly grants the
 147 property assessment limitation as a result of a clerical mistake
 148 or an omission, the person or entity improperly receiving the
 149 property assessment limitation may not be assessed a penalty or
 150 interest.

151 Section 5. Subsections (9) and (10) of section 193.1555,
 152 Florida Statutes, are amended to read:

153 193.1555 Assessment of certain residential and
 154 nonresidential real property.—

155 (9) Erroneous assessments of nonresidential real property
 156 assessed under this section may be corrected in the following
 157 manner:

158 (a) If errors are made in arriving at any assessment under
 159 this section due to a material mistake of fact concerning an
 160 essential characteristic of the property, the just value and
 161 assessed value must be recalculated for every such year,
 162 including the year in which the mistake occurred, but the
 163 recalculated values shall be first applied to the tax roll in
 164 the year the mistake is discovered. No back taxes shall be due
 165 for any year as a result of recalculations under this paragraph.

166 (b) If changes, additions, or improvements are not
 167 assessed at just value as of the first January 1 after they were
 168 substantially completed, the property appraiser shall determine
 169 the just value for such changes, additions, or improvements for
 170 the year they were substantially completed. Assessments for
 171 subsequent years shall be corrected, applying this section if
 172 applicable; provided, however, that if a building permit was
 173 required and has not been issued by the county, the assessment
 174 may be corrected from the later of the year following
 175 substantial completion or 10 years prior. The recalculated

176 values shall be first applied to the tax roll in the year the
 177 mistake is discovered. No back taxes shall be due for any year
 178 as a result of recalculations under this paragraph.

179 ~~(c) If back taxes are due pursuant to s. 193.092, the~~
 180 ~~corrections made pursuant to this subsection shall be used to~~
 181 ~~calculate such back taxes.~~

182 (10) If the property appraiser determines that for any
 183 year or years within the prior 10 years a person or entity who
 184 was not entitled to the property assessment limitation granted
 185 under this section was granted the property assessment
 186 limitation, the property appraiser making such determination
 187 shall serve upon the owner a notice of intent to record in the
 188 public records of the county a notice of tax lien against any
 189 property owned by that person or entity in the county, and such
 190 property must be identified in the notice of tax lien. Such
 191 property that is situated in this state is subject to the unpaid
 192 taxes, plus a penalty of 50 percent of the unpaid taxes for each
 193 year and 15 percent interest per annum. However, if the property
 194 assessment limitation is granted as a result of a clerical
 195 mistake or an omission by the property appraiser, the taxpayer
 196 need not pay the unpaid taxes, penalties, or interest. Before a
 197 lien may be filed, the person or entity so notified must be
 198 given 30 days to pay the taxes and any applicable penalties and
 199 interest. ~~If the property appraiser improperly grants the~~
 200 ~~property assessment limitation as a result of a clerical mistake~~

201 ~~or an omission, the person or entity improperly receiving the~~
 202 ~~property assessment limitation may not be assessed a penalty or~~
 203 ~~interest.~~

204 Section 6. Paragraph (a) of subsection (1) of section
 205 194.032, Florida Statutes, is amended to read:

206 194.032 Hearing purposes; timetable.—

207 (1) (a) The value adjustment board shall meet not earlier
 208 than 30 days and not later than 60 days after the mailing of the
 209 notice provided in s. 194.011(1); however, no board hearing
 210 shall be held before approval of all or any part of the
 211 assessment rolls by the Department of Revenue. The board shall
 212 meet for the following purposes:

213 1. Hearing petitions relating to assessments filed
 214 pursuant to s. 194.011(3).

215 2. Hearing complaints relating to homestead exemptions as
 216 provided for under s. 196.151.

217 3. Hearing appeals from exemptions denied, or disputes
 218 arising from exemptions granted, upon the filing of exemption
 219 applications under s. 196.011.

220 4. Hearing appeals concerning ad valorem tax deferrals and
 221 classifications.

222 5. Hearing appeals from determinations that a change of
 223 ownership under s. 193.155(3), a change of ownership or control
 224 under s. 193.1554(5) or s. 193.1555(5), or a qualifying
 225 improvement under s. 193.1555(5) has occurred.

226 6. Hearing appeals concerning validity or amount, or both,
 227 of assessments created under s. 193.092.

228 7. Hearing appeals on the issue of whether a tangible
 229 personal property return as required under s. 193.052 was timely
 230 filed so as to allow such assessment to be contested at the
 231 value adjustment board and to waive penalties imposed under s.
 232 193.072.

233 Section 7. Paragraph (a) of subsection (9) of section
 234 196.011, Florida Statutes, is amended to read:

235 196.011 Annual application required for exemption.—

236 (9) (a) A county may, at the request of the property
 237 appraiser and by a majority vote of its governing body, waive
 238 the requirement that an annual application or statement be made
 239 for exemption of property within the county after an initial
 240 application is made and the exemption granted. The waiver under
 241 this subsection of the annual application or statement
 242 requirement applies to all exemptions under this chapter except
 243 the exemption under s. 196.1995. Notwithstanding such waiver,
 244 refiling of an application or statement shall be required when
 245 any property granted an exemption is sold or otherwise disposed
 246 of, when the ownership changes in any manner, when the applicant
 247 for homestead exemption ceases to use the property as his or her
 248 homestead, or when the status of the owner changes so as to
 249 change the exempt status of the property. In its deliberations
 250 on whether to waive the annual application or statement

251 requirement, the governing body shall consider the possibility
252 of fraudulent exemption claims which may occur due to the waiver
253 of the annual application requirement. The owner of any property
254 granted an exemption who is not required to file an annual
255 application or statement shall notify the property appraiser
256 promptly whenever the use of the property or the status or
257 condition of the owner changes so as to change the exempt status
258 of the property. If any property owner fails to so notify the
259 property appraiser and the property appraiser determines that
260 for any year within the prior 10 years the owner was not
261 entitled to receive such exemption, the owner of the property is
262 subject to the taxes exempted as a result of such failure plus
263 15 percent interest per annum and a penalty of 50 percent of the
264 taxes exempted. However, if such exemption is granted as a
265 result of a clerical mistake or an omission by the property
266 appraiser, the taxpayer need not pay the unpaid taxes,
267 penalties, or interest. Except for homestead exemptions
268 controlled by s. 196.161, the property appraiser making such
269 determination shall record in the public records of the county a
270 notice of tax lien against any property owned by that person or
271 entity in the county, and such property must be identified in
272 the notice of tax lien. Such property is subject to the payment
273 of all taxes and penalties. Such lien when filed shall attach to
274 any property, identified in the notice of tax lien, owned by the
275 person who illegally or improperly received the exemption. If

276 | such person no longer owns property in that county but owns
277 | property in some other county or counties in the state, the
278 | property appraiser shall record a notice of tax lien in such
279 | other county or counties, identifying the property owned by such
280 | person or entity in such county or counties, and it shall become
281 | a lien against such property in such county or counties.

282 | Section 8. This act shall take effect July 1, 2024.