HOUSE OF REPRESENTATIVES STAFF FINAL BILL ANALYSIS

BILL #: CS/HB 1587 East Manatee Fire Rescue District, Manatee County **SPONSOR(S):** Local Administration & Veterans Affairs Subcommittee; Gregory

TIED BILLS: IDEN./SIM. BILLS:

FINAL HOUSE FLOOR ACTION: 117 Y's 0 N's GOVERNOR'S ACTION: Approved

SUMMARY ANALYSIS

CS/HB 1587 passed the House on April 15, 2021, and subsequently passed the Senate on April 29, 2021.

The Myakka City Fire Control District was created as a dependent special fire control district in 1986 to provide fire protection to unincorporated areas in Manatee County, Florida. The East Manatee Fire Rescue District was created by special act as an independent special fire control district. The East Manatee Fire Rescue District provides services to approximately 80,000 residents in the eastern area of Manatee County, including a large portion of the Lakewood Ranch area.

In 2019, each Board of Fire Commissioners for the two respective fire districts considered merging the Myakka City Fire Control District into the East Manatee Fire Rescue District. The Manatee County Board of County Commissioners voted to support the initiative. Consequently, the Manatee County Supervisor of Elections placed a referendum on the August 2020 ballot to merge the two fire districts and to levy an ad valorem tax no greater than one mill annually. The majority of the Myakka City Fire Control District's qualified electors voted in favor of the referendum.

In order to complete the merger of the districts, the special act comprising the charter of the district must be amended to incorporate the Myakka City Fire Control District's geographical boundaries into the East Manatee Fire Rescue District's jurisdictional boundaries. Manatee County also must dissolve the Myakka City Fire Control District through an ordinance.

The bill merges the Myakka City Fire Control District into the East Manatee Fire Rescue District and revises boundaries.

According to the Economic Impact Statement filed for the bill, the East Manatee Fire Rescue District will have reduced revenues of approximately \$373,000 for Fiscal Year 2022-23. The cost to operate the area of the former Myakka City Fire Control District for Fiscal Year 2021-22 is estimated to be \$2 million and would be assumed by the East Manatee Fire Rescue District. The estimated operating costs for Fiscal Year 2022-23 are \$2,250,000 for the area of the former Myakka City Fire Control District due to additional staffing being added.

The bill was approved by the Governor on June 21, 2021, ch. 2021-257, L.O.F., and will become effective on October 1, 2021.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

Current Situation

Independent Special Fire Control Districts

An independent special fire control district is a type of independent special district¹ created by the Legislature for the purpose of providing fire suppression and related activities within the territorial jurisdiction of the district.² Chapter 191, F.S., the "Independent Special Fire Control District Act," (Act) is intended to provide standards, direction, and procedures for greater uniformity in the operation and governance of these districts, including financing authority, fiscally-responsible service delivery, and election of members to the governing boards for greater public accountability.³ The Act controls over more specific provisions in any special act or general law of local application creating an independent fire control district's charter.⁴ The Act requires every independent fire control district be governed by a five-member board⁵ and provides for:

- General powers;⁶
- Special powers;⁷
- Authority and procedures for the assessment and collection of ad valorem taxes;⁸
- Authority and procedures for the imposition, levy, and collection of non-ad valorem assessments, charges, and fees;⁹ and
- Issuance of district bonds and evidences of debt. 10

As a type of independent special district,¹¹ independent special fire control districts are also subject to applicable provisions of ch. 189, F.S., the "Uniform Special District Accountability Act." ¹²

An independent special district, as an entity created by the Legislature, only possesses the powers granted by the authorizing law.¹³ Therefore, any boundary expansion must be approved by the Legislature.¹⁴ A special district may not levy ad valorem taxes without approval by the affected voters in a referendum.¹⁵

¹ A "special district" is a local government unit of "special purpose, as opposed to general purpose, operat[ed] within a limited boundary and created by general law, special act, local ordinance, or by rule of the Governor and Cabinet." S. 189.012(6), F.S. An "independent special district" is any special district that is not a "dependent special district," which is defined as a special district in which: the membership of the governing body is identical to the governing body of a single county or municipality, all members of the governing body are appointed by the governing body of a single county or municipality, members of the special district's governing body are removable at will during their unexpired terms by the governing body of a single county or municipality, or the district's budget is subject to the approval of the governing body of a single county or municipality. See S. 189.012(3), F.S.

² S. 191.003(5), F.S.

³ S. 191.002, F.S.

⁴ 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. *Id.*

⁵ S. 191.005(1)(a), F.S. A fire control district may continue to be governed by a three-member board if authorized by special act adopted in or after 1997.

⁶ S. 191.006, F.S. (such as the power to sue and be sued in the name of the district, the power to contract, and the power of e minent domain).

⁷ S. 191.008, F.S.

⁸ S. 191.006(14); 191.009(1), F.S.

⁹ Ss. 191.006(11), (15), 191.009(2)—(4), 191.011, F.S.

¹⁰ S. 191.012, F.S.

¹¹ S. 191.014(1), F.S., providing that new districts are created by the Legislature pursuant to s. 189.031, F.S.

¹² S. 189.031, F.S.

¹³ Bd. of Comm'rs of Jupiter Inlet Dist. v. Thibadeau, 956 So. 2d 529, 531 (Fla. 4th DCA 2007). See also Halifax Hospital Medical Center v. State of Fla., et al., 278 So. 3d 545, 547 (Fla. 2019).

¹⁴ S. 191.014(2), F.S. ("The territorial boundaries of [an independent special fire control] district may be modified, extended, or enlarged with the approval or ratification of the Legislature.").

¹⁵ Art. VII, s. 9(b), Fla. Const.

Myakka City Fire Control District

The Myakka City Fire Control District was created as a dependent special fire control district in 1986 to provide fire protection to unincorporated lands in Manatee County, Florida. A board of five commissioners who must reside within the district governs the Myakka City Fire Control District. The Board of County Commissioners appoints board members for staggered four-year terms. The Myakka City Fire Control District is authorized to levy special assessments against the taxable real estate lying within its territorial bounds in order to provide funds for the district. The district is also authorized to establish and adjust impact fees in accordance with statute.

East Manatee Fire Rescue District

The East Manatee Fire Rescue District was created by special act²¹ as an independent special fire control district. The district provides services to approximately 80,000 residents in the eastern area of Manatee County, including a large portion of the Lakewood Ranch area.²² A five-member board governs the district.²³ The district is authorized to levy non-ad valorem assessments²⁴ if the rate does not exceed the average annual growth rate in Florida personal income over the previous five years.²⁵ The board is authorized to establish impact fees²⁶ pursuant to statute and to issue general obligation bonds, assessment bonds, revenue bonds, notes, and bond anticipation notes, provided the total annual payments for the principal and interest on the indebtedness does not exceed 50 percent of the total annual budgeted revenues of the district.²⁷

August 2020 Referendum to Merge Districts

In 2019, each Board of Fire Commissioners for the two respective fire districts considered merging the Myakka City Fire Control District into the East Manatee Fire Rescue District. The Manatee County Board of County Commissioners voted to support the initiative.²⁸ Pursuant to the constitutional requirement that a special district may not levy ad valorem taxes without approval by the affected voters in a referendum,²⁹ the Manatee County Supervisor of Elections placed a referendum on the August 2020 ballot to merge the two fire districts and to levy an ad valorem tax no greater than one mill annually. The majority of the Myakka City Fire Control District's qualified electors voted in favor of the referendum. Consequently, On October 1, 2020, the two fire districts entered into an interlocal agreement to facilitate the cross training of employees within both fire departments.

In order to complete the merger of the two districts, the special act comprising the charter of the district³⁰ must be amended to incorporate the Myakka City Fire Control District's geographical boundaries into the East Manatee Fire Rescue District's jurisdictional boundaries and Manatee County must dissolve the Myakka City Fire Control District through an ordinance.

¹⁶ Ch. 86-381, Laws of Fla.

¹⁷ Manatee County Code of Ordinances, ch. 2-27, s. 2-27-3.

¹⁸ Manatee County Code of Ordinances, ch. 2-27, s. 2-27-4.

¹⁹ Manatee County Code of Ordinances ch. 2-27, s. 2-27-5.

²⁰ Manatee County Code of Ordinances, ch. 2-27, s. 2-27-17(1)(c). See s. 163.31801, F.S.

²¹ Ch. 85-454, Laws of Fla., as amended. The special acts comprising the charter of the district were recodified as ch. 2000-404, Laws of Fla., amended bych. 2005-296, Laws of Fla.

²² East Manatee Fire Rescue District, About Us, https://www.emfr.org/about-us (last visited March 9, 2021).

²³ Ch. 2000-404, Laws of Fla., as amended by ch. 2005-296, s. 3, Laws of Fla.

²⁴ Ch. 2000-404, Laws of Fla., as amended by ch. 2005-296, s. 6, Laws of Fla.

²⁵ S. 191.009(2)(a), F.S.

²⁶ Ch. 2000-404, Laws of Fla., as amended by ch. 2005-296, s. 7, Laws of Fla.

²⁷ Ch. 2000-404, Laws of Fla., as amended by ch. 2005-296, s. 8, Laws of Fla. See s. 191.012, F.S.

²⁸ Manatee County Supervisor of Elections, 2020 Primary Election Results, https://enr.electionsfl.org/MAN/Summary/2672/ (last visited March 2, 2021).

²⁹ Art. VII, s. 9(b), Fla. Const.

³⁰ Ch. 2000-404, Laws of Fla., as amended by ch. 2005-296, Laws of Florida.

According to the Economic Impact Statement filed for the bill, the East Manatee Fire Rescue District will have reduced revenues of approximately \$373,000 for Fiscal Year 2022-23. The cost to operate the area of the former Myakka City Fire Control District for Fiscal Year 2021-22 is estimated to be \$2 million and would be assumed by the East Manatee Fire Rescue District. The estimated operating costs for Fiscal Year 2022-23 are \$2,250,000 for the area of the former Myakka City Fire Control District due to additional staffing being added.

Effect of the Bill

The bill amends ch. 2000-404, Laws of Fla., as amended by ch. 2005-296, Laws of Fla., to merge the Myakka City Fire Control District into the East Manatee Fire Rescue District and revises boundaries.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

Α.	FISCAL IMPACT ON STATE GOVERNMENT:	

1.	Reve	enue	es:				

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

According to the Economic Impact Statement filed for the bill, the East Manatee Fire Rescue District will have reduced revenues of approximately \$373,000 for Fiscal Year 2022-23. The cost to operate the area of the former Myakka City Fire Control District for Fiscal Year 2021-22 is estimated to be \$2 million and would be assumed by the East Manatee Fire Rescue District. The estimated operating costs for Fiscal Year 2022-23 are \$2,250,000 for the area of the former Myakka City Fire Control District due to additional staffing being added.

2. Expenditures:

None.

- C. ECONOMIC IMPACT STATEMENT FILED? Yes [X] No []
- D. NOTICE PUBLISHED? Yes [X] No []

IF YES, WHEN? December 6, 2020

WHERE? Bradenton Herald, a daily newspaper published in Bradenton, FL.

E. REFERENDUM(S) REQUIRED? Yes [] No [X]

IF YES, WHEN?