

STORAGE NAME: h1477.ca

DATE: March 31, 1997

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
COMMUNITY AFFAIRS
BILL RESEARCH & ECONOMIC IMPACT STATEMENT - LOCAL LEGISLATION**

BILL #: HB 1477

RELATING TO: The City of Pensacola, Escambia County (Adoption of Budget)

SPONSOR(S): Representative Maygarden & others

COMPANION BILL(S): None

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) COMMUNITY AFFAIRS
 - (2)
 - (3)
 - (4)
 - (5)
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I. SUMMARY:

This bill amends the special act charter of the City of Pensacola to allow the Pensacola City Council to adopt and amend its budget by ordinance or resolution. This amendment to the city charter will allow the City of Pensacola to continue to adopt and amend its budget by resolution. The amendment is sought due to a change in general law which requires the budget of a municipality to be adopted and amended by ordinance "unless otherwise specified in the respective municipality's charter."

According to the attached economic impact statement, this bill has no significant fiscal impact.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

Currently, Pensacola's annual budget and amendments to the budget are adopted by resolution. Adoption of the budget by resolution, like adoption by ordinance, requires two public hearings. However, amending the budget by resolution can be accomplished with only one public hearing. Amending the budget by resolution is helpful because of the frequency of amendments (3 to 4 per year). In order to amend the budget by ordinance, two public hearings would be required for each amendment, increasing the time and expense of accomplishing the amendment.

In 1996, section 166.241, F.S., was amended to require that the annual budget adopted by a municipality must be adopted by ordinance, "unless otherwise specified by the respective municipality's charter." Because Pensacola's charter does not specify that its budget may be adopted and amended by resolution, this law would prohibit the current practice.

B. EFFECT OF PROPOSED CHANGES:

This bill would allow Pensacola to continue its current practice of adopting and amending its budget by resolution by specifying that power in the charter.

C. LAWS OF FLORIDA/FLORIDA STATUTES AFFECTED:

Chapter 15425, Laws of Florida, 1931, as amended.

D. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

Not applicable.

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

Not applicable.

(3) any entitlement to a government service or benefit?

Not applicable.

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

Not applicable.

(2) what is the cost of such responsibility at the new level/agency?

Not applicable.

(3) how is the new agency accountable to the people governed?

Not applicable.

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

Not applicable.

b. Does the bill require or authorize an increase in any fees?

Not applicable.

c. Does the bill reduce total taxes, both rates and revenues?

Not applicable.

d. Does the bill reduce total fees, both rates and revenues?

Not applicable.

e. Does the bill authorize any fee or tax increase by any local government?

Not applicable.

3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

Not applicable.

b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

Not applicable.

4. Individual Freedom:

- a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

Not applicable.

- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

Not applicable.

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:

- (1) Who evaluates the family's needs?

Not applicable.

- (2) Who makes the decisions?

Not applicable.

- (3) Are private alternatives permitted?

Not applicable.

- (4) Are families required to participate in a program?

Not applicable.

- (5) Are families penalized for not participating in a program?

Not applicable.

- b. Does the bill directly affect the legal rights and obligations between family members?

Not applicable.

- c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

(1) parents and guardians?

Not applicable.

(2) service providers?

Not applicable.

(3) government employees/agencies?

Not applicable.

E. SECTION-BY-SECTION RESEARCH:

Section 1 provides that the city council may adopt its budget and any amendments to the budget by ordinance or resolution.

Section 2 provides that this act shall take effect upon becoming a law.

III. NOTICE/REFERENDUM AND OTHER REQUIREMENTS:

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? February 1, 1997

WHERE? The Pensacola News Journal, Escambia County, Florida

B. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN? Not applicable.

C. LOCAL BILL CERTIFICATION FILED? Yes, attached No

D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached No

IV. COMMENTS:

The Director of Finance for the City of Pensacola comments that this bill will allow the City to continue its current practice of adopting its budget, as well as amendments to the budget, by resolution. The original budget and any tax and/or rate changes will continue to have two public hearings. However, because budget amendments by resolution require only one hearing, there will be a saving of time and expense.

Generally, after a charter is enacted, a municipality may amend the charter in accordance with chapter 166, F.S., by an ordinance proposed by the governing body and submitted to the electors as a proposed charter amendment. Alternatively, the electors of a municipality may submit a proposed amendment to the charter to the electors once a petition has been

signed by 10 percent of the registered electors. However, submitting a proposed charter amendment to the electors of a municipality can be both expensive and time consuming.

HOUSE RULE 92(a)

House Rule 92(a), provides that “if a committee determines that a local bill may be enacted into law under the authority of a local governing body, that committee shall not report the bill to the Clerk.”

House Rule 92(a) has been interpreted by the House Committee on Rules, Resolutions & Ethics as not applying where a referendum is required in order to achieve the purpose of a local bill. Because this local bill would require a referendum on the charter amendment, House Rule 92(a) is not applicable.

HOUSE RULE 92(b)

House Rule 92(b), provides that “if a committee determines that a local bill provides only an exemption from general law, it shall be reintroduced as a general bill.”

Section 166.241, F.S. states:

The governing body of each municipality shall adopt a budget each fiscal year. The budget must be adopted by ordinance *unless otherwise specified in the respective municipality’s charter.* [emphasis added]

Because the statute allows a municipality to include the adoption and amendment of its budget by resolution in its charter, Pensacola’s election to do so is not an exemption to general law. Therefore, House Rule 92(b) does not apply.

V. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

None.

VI. SIGNATURES:

COMMITTEE ON COMMUNITY AFFAIRS:

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