

STORAGE NAME: h4305a.ca

DATE: April 15, 1998

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

BILL #: HB 4305

RELATING TO: Tampa/Job Training & Retirement (Hillsborough County)

SPONSOR(S): Representative Culp and others

COMPANION BILL(S): SB 2590 (s)

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

- (1) COMMUNITY AFFAIRS YEAS 9 NAYS 0
 - (2)
 - (3)
 - (4)
 - (5)
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I. SUMMARY:

Prior to July 1, 1996, the City of Tampa (city) and Hillsborough County (county) were independent Job Training Partnership Act (JTPA) entities that provided job training programs in separate service delivery areas (SDAs). Recently, the Governor made a certain SDA designation that caused the city and county to combine their JTPA programs, with the county acting as the single administrative and operating entity.

This bill creates a special act which provides that all employees of the city's Job Training Partnership Program must transfer to comparable positions with the county's Job Training Partnership Program as a result of the job-training programs consolidating. Additionally, the bill allows such transferees to opt into the county pension plan or remain a member of the city pension plan.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

On October 13, 1982, the federal government enacted the Job Training Partnership Act (JTPA). It directed Florida to establish local service delivery areas (SDAs). Recently, the Governor designated unincorporated and incorporated areas within Hillsborough County as the SDA.

Prior to July 1, 1996, the City of Tampa (city) and Hillsborough County (county) were independent JTPA entities that provided programs in separate SDAs. As a result of the Governor's SDA designation, the city and county combined their programs to serve the single SDA, with the county being the single administrative and operating entity. This program consolidation necessitates the transfer of certain city employees and requires the establishment of pension options for such transferees.

Chapter 23559, Laws of Florida, 1945, as amended, creates a pension fund for certain permanent employees of Tampa. As such, a special act is needed to allow current city employees transferring to the county due to the recent consolidation of local job-training programs to remain in the city's general employees' pension program.

B. EFFECT OF PROPOSED CHANGES:

The bill creates a special act which allows current JTPA city employees transferring to the county (due to the local governments' recent consolidation of their job-training programs) to either stay with the city's General Employees Pension Program or elect to become members of the Florida Retirement System. The bill establishes election procedures for transferred employees wishing to either remain a member of the city pension plan or become a member of the Florida Retirement System. An employee who elects to become a member of the Florida Retirement System or fails to make an election within a certain time period becomes a member of the Florida Retirement System, effective July 1, 1998.

If the employee opts to remain a member of the city pension plan, the county must pay the city the employer's share of the pension costs. Further, the bill provides that the county must also deduct such employee's share of the pension costs from his or her salary and remit the same to the city.

C. LAWS OF FLORIDA/FLORIDA STATUTES AFFECTED:

Creates a special act.

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?

N/A

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

Current employees of Tampa's (city) job-training program must transfer to Hillsborough County (county) positions that are commensurate with their positions with the city. Such employees must decide whether to stay with the city pension plan or join the Florida Retirement System.

For each transferred employee that remains with the city pension plan, the county is responsible for paying the city the employer's share of the pension costs, deducting from each such employee's salary, and remitting to the city the employees' share of the pension costs.

Each employee transferring from city to county, and covered under the provisions of this bill, must be given a written notice. The notice advises employees that they have a right of election under the provisions of this bill. However, it is unclear whether the city or the county is responsible for issuing the written notice.

A reasonable presumption could be made that the county is responsible for such notice since it is now the single administrative and operating entity arising from the consolidation of job-training programs. However, the city explains that it has already provided such notice and pension plan briefings to affected employees in anticipation of the bill's passage.

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

N/A

- 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?

Due to the consolidation of job-training programs, the county may experience a minor increase in staff time to administer the city pension plan. The county is also the prime administrative and operating entity of the job-training program.

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

Such costs are considered minimal. In fact, Tampa's Intergovernmental Relations office points out that the county would realize a savings on those employees who elect to remain in the city pension plan because employer

contributions to the city's pension plan are lower than contributions to the Florida Retirement System.

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

The county must administer the pension plan needs of its newly acquired city employees.

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

N/A

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

N/A

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

N/A

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

N/A

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

N/A

3. Personal Responsibility:

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

N/A

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

No.

4. Individual Freedom:

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

City of Tampa (city) employees covered under the provisions of this bill have an option to remain with the city's pension plan or join the Florida Retirement System.

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

No.

5. Family Empowerment:

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

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

N/A

- (2) Who makes the decisions?

N/A

- (3) Are private alternatives permitted?

N/A

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

N/A

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

N/A

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

N/A

- 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?

N/A

- (2) service providers?

N/A

(3) government employees/agencies?

N/A

E. SECTION-BY-SECTION RESEARCH:

Section 1-- Provides for the transfer, by July 1, 1998, of all City of Tampa (city) employees who, on June 30, 1998, are assigned to the city's Job Training Partnership Program, to Hillsborough County (county) positions that are commensurate with their positions with the city; allows such transferred employees to elect to remain a member of the city's General Employees' Pension Plan or become a member of the Florida Retirement System; requires the county to pay to the city the employer's share of the pension costs for each employee who remains a member of the city pension plan; requires the county to also deduct from each such employee's salary and remit to the city the employee's share of the pension costs; requires persons hired by the county for its Job Training Partnership Program after June 30, 1998, to become a member of the Florida Retirement System.

Section 2 -- Provides pension plan election procedures for each employee who transfers from city to county employment under the provisions of this bill.

Section 3 -- Provides that the bill must take effect June 1 of the year in which enacted.

III. NOTICE/REFERENDUM AND OTHER REQUIREMENTS:

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? January 31, 1998

WHERE? The Times, an edition of the St. Petersburg Times; Tampa, Florida

B. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN? N/A

C. LOCAL BILL CERTIFICATION FILED? Yes, attached No

D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached No

IV. COMMENTS:

The bill is expected to facilitate the consolidation of the City of Tampa (city) and Hillsborough County (county) job-training programs and avoid undue harm to city employees. According to the city, the special act has no fiscal impact on the city's general employees' pension plan and potentially applies to up to 15 current city employees who will be involved in the job-training program consolidation.

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The city supports the passage of a special act allowing city employees transferring to the county (due to the recent consolidation of local job-training programs) to remain in the city's general employees' pension program.

In addition, the Hillsborough County Home Rule Charter took effect May 1985. The charter provides for local self-determination and grants all powers of a chartered county under Section I, Article VIII, Florida Constitution, 1968, as amended. One of the features of the Hillsborough County charter as described in "Home Rule Charter for Hillsborough County Florida, Approved by Hillsborough County Voters, September, 1983," is:

Special laws enacted by the Florida Legislature may be effective in Hillsborough County without approval by County electors if they relate to the following: **civil service**, aviation, the port, sports, transportation, hospitals, planning, environment, solid waste management, consumer affairs, resource recovery, criminal justice, historic preservation, and the arts. [Emphasis added.]

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." The purposes of this local bill could be accomplished by a local ordinance *but would require* the special acts related to the [pension plan, career service system] be repealed by the Legislature and converted to local ordinances.

The ordinances are then subject to modification or repeal by the local governing body as are other local ordinances. The entire contents of the act remain in full force and effect during the conversion process.

Because the special acts related to the career service system have not been repealed and converted to local ordinances, House Rule 92(a) does not apply in this instance.

V. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

None.

VI. SIGNATURES:

COMMITTEE ON COMMUNITY AFFAIRS:

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