

STORAGE NAME: h4769.ca

DATE: April 16, 1998

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

BILL #: HB 4769

RELATING TO: Broward County/South Broward Hospital District

SPONSOR(S): Representative Rayson

COMPANION BILL(S): SB 2694 (i)

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

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

This bill provides that the Broward County South Broward Hospital District is not a "public body" or "taxing authority" pursuant to certain laws. Community redevelopment agencies established before a specified date are not affected by this provision.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

The South Broward Hospital District (district) is listed in the **1997 Official List of Special Districts** as an independent special district. It was created by special act chapter 24415, Laws of Florida, 1947, as amended. The district's governing body consists of seven commissioners. The district is empowered to construct and operate hospitals and other health facilities necessary for use by the people in the district, and to preserve the public health.

The district is also a taxing authority under part III of chapter 163, F.S. Pursuant to s. 163.340(2), F.S., a "public body" or "taxing authority" means "the state or any county, municipality, authority, **special district**, or other public body of the state, except a school district."

Part III of chapter 163, F.S., relates to community redevelopment of blighted and slum areas of counties and municipalities. Section 163.340, F.S., defines "community redevelopment agencies" (CRAs) as entities created by the governing body of a county or municipality. These agencies can also be created by the governing bodies of local governments designating themselves as CRAs.

Community development agencies are created if there is, first, a finding of blighted or slum areas, affordable housing shortage, and that redevelopment of the appropriate areas is necessary to the public health, safety, morals, or welfare of the residents of the county or municipality. Once such a finding is made and a CRA is created, the CRA is responsible for implementing community rehabilitative or redevelopment plans.

Generally, funding for CRAs is derived from taxing authorities that levy ad valorem taxes on taxable real property contained within the geographic boundaries of the redevelopment areas. However, CRAs may exempt taxing authorities from such funding obligations.

The district states that such funding negatively impacts its funding of indigent care and other purposes of the district. For this reason, the district believes that it is unfair that it must fund CRAs. Currently, however, many existing CRAs' future budgets depend on subsequent funding anticipated from appropriate taxing authorities.

B. EFFECT OF PROPOSED CHANGES:

Under the bill, the South Broward Hospital District is not required to fund community redevelopment agencies created, pursuant to part III of chapter 163, F.S., on or after January 1, 1998. Thus, future budgets of such CRAs will not be impacted by this bill. Further, funding for CRAs established after this date is not dependent on future funding from the district.

C. LAWS OF FLORIDA/FLORIDA STATUTES AFFECTED:

Chapter 24415, Laws of Florida, 1947, 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?

No.

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

Perhaps, the remaining taxing authorities which fund CRAs must compensate for the loss of the district's CRA funding source for CRAs established after January 1, 1998.

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

No.

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?

Perhaps, the remaining taxing authorities which fund CRAs must compensate for the loss of the district's CRA funding source for CRAs established after January 1, 1998.

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

N/A

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

N/A

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?

No.

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?

The South Broward Hospital District may now direct its taxing authority to support hospitals and public health, rather than to redeveloping slum and blighted areas.

- 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 -- Adds section 41 to chapter 24415, Laws of Florida, 1947, as amended; provides that the South Broward Hospital District is not a "public body" or "taxing authority" for the purposes of part III of chapter 163, F.S.; and provides that this section does not apply to community redevelopment agencies established prior to January 1, 1998.

Section 2 -- Provides that the provisions of this bill must take effect upon becoming law.

III. NOTICE/REFERENDUM AND OTHER REQUIREMENTS:

A. NOTICE PUBLISHED? Yes [x] No []

IF YES, WHEN? March 9, 1998

WHERE? Sun-Sentinel; Broward/Palm Beach/Dade County

B. REFERENDUM(S) REQUIRED? Yes [] No [x]

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes, attached [x] No []

D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached [x] No []

IV. COMMENTS:

According to this bill's Economic Impact Statement, the decrease in community redevelopment agencies' revenues, if any, is indeterminate since it is unknown what community redevelopment agencies will be established after January 1, 1998. In addition, there has been some speculation that this bill may set a precedent for other special districts to also opt out of funding CRAs.

Section 189.404(5), Florida Statutes, provides that after October 1, 1997, the charter of any newly created special district shall contain and, as practical, the charter of a preexisting special district shall be amended to contain, a reference to the status of the special district as dependent or independent. When necessary, the status statement shall be amended to conform with the department's determination or declaratory statement regarding the status of the district.

An examination of this charter reveals this statement is not contained in the district's charter. When contacted, the attorney for the Broward County Legislative Delegation Office indicated that the general counsel for the district would be notified to address the matter. The district is due to codify its special acts next year, and perhaps, at that time, would include the status statement in its codification.

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PAGE 7

V. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

None.

VI. SIGNATURES:

COMMITTEE ON COMMUNITY AFFAIRS:

Prepared by:

Legislative Research Director:

Nayola R. Frazier

Joan Highsmith-Smith