By the Committee on Community Affairs and Representatives Wallace, Maygarden, Gay, Turnbull, Feeney, Livingston, Fasano, Melvin and Trovillion

A bill to be entitled

An act relating to the Legislature; creating s. 11.077, F.S., the "Taxpayer Protection Act"; requiring that any general law enacted by the Legislature that will potentially increase the cost of local government personnel salaries, wages, or benefits must include an economic impact statement; providing requirements for the economic impact statement and preparation and publication thereof; providing an effective date.

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WHEREAS, Article VIII of the State Constitution establishes local governments within the state with independent authority to exercise governmental authority and power, and

WHEREAS, inherent in the exercise of local governmental authority and governmental powers is the right of local governments to hire necessary personnel to conduct governmental activities and the right to provide salaries, wages, and benefits to said personnel, and

WHEREAS, funding of local government employees' salaries, wages, and benefits is ultimately the responsibility of the local citizen taxpayers, and

WHEREAS, personnel salaries, wages, and benefits frequently represent between 60 and 70 percent of the total operating budget of a local government, and

WHEREAS, control over these costs is essential to controlling governmental finances and protecting the taxpayers' interests, NOW, THEREFORE,

2 3 Section 1. Section 11.077, Florida Statutes, is created to read: 4 5 11.077 General laws affecting local government 6 personnel costs. --7 (1) This section may be cited as the "Taxpayer 8 Protection Act." 9 (2) For the purpose of this section, "local 10 government" refers to county, municipal, or special district 11 government. 12 (3) Any general law enacted by the Legislature after 13 January 1, 1999, which will potentially increase the cost of local government personnel salaries, wages, or benefits must 14 15 include an economic impact statement which estimates the total cost to local governments and which is prepared prior to 16 17 passage of the legislation. The economic impact statement 18 shall be prepared by legislative staff of appropriate 19 jurisdiction utilizing the expertise of state agencies such as the Division of Retirement of the Department of Management 20 21 Services, the Department of Insurance, and others as needed. 22 (4) The economic impact statement must include: 23 (a) An estimate of the cost to all local governments of implementing the proposed legislation, including a separate 24

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

calculation of the total cost to each of the five counties in

the state with the greatest population, according to the latest official census, or the five municipalities in the

official census, or both, if applicable.

state with the greatest population, according to the latest

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- (b) An estimate of the impact of the proposed legislation on competition and the open market for employment, if applicable.
- (c) A preliminary comparison of the probable costs and benefits of the proposed legislation to the probable costs and benefits of not adopting the legislation.
- (d) A detailed statement of the data and methodology used in making the estimates required by this subsection.
- (e) An indication of whether the proposed change is in compliance with s. 14, Art. X of the State Constitution.
- (f) A discussion of options for the means to finance the potential increase.

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> If any of the requirements analyzed by the economic impact statement is indeterminable or unknown, a notation of such must be made, along with a good faith estimate of the range of the potential fiscal impact, given any degree of certainty, upon each of the local governments affected by the proposed general law. In addition, if the cost is indeterminable or unknown, the legislative staff must within 5 working days after making such determination make available that information to the designated associations of affected local governments and employee organizations that have an affected bargaining unit, in order to avail them of the opportunity to gather or provide any data on such impact. Those associations shall have 5 days from notification to provide the Legislature with their own estimate of the cost of the proposed legislation, which may be included as part of the economic impact statement provided prior to passage.

(5) The economic impact statement must be published and made available 4 days prior to the first legislative

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    committee hearing at which the bill is to be considered during
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    the first 45 days of each regular legislative session;
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    thereafter, the economic impact statement must be presented at
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    the first legislative committee hearing at which the bill is
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    to be considered. The economic impact statement must be
    updated as amended and presented in final form 5 days prior to
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    passage of the bill by the Legislature.
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           Section 2. This act shall take effect upon becoming a
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    law.
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