

STORAGE NAME: h1095a.ca
DATE: April 9, 1999

**HOUSE OF REPRESENTATIVES
AS REVISED BY THE COMMITTEE ON
COMMUNITY AFFAIRS
ANALYSIS - LOCAL LEGISLATION**

BILL #: HB 1095
RELATING TO: Broward County/South Broward Hospital District
SPONSOR(S): Representative Wasserman Schultz
COMPANION BILL(S): SB 2612 (i)

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:
(1) HEALTH CARE LICENSING & REGULATION YEAS 8 NAYS 0
(2) COMMUNITY AFFAIRS YEAS 10 NAYS 0
(3) GOVERNMENTAL OPERATIONS
(4) FINANCE AND TAXATION
(5)

I. SUMMARY:

This local bill exempts the South Broward Hospital District from tax increments of any community redevelopment agency created after December 31, 1997.

II. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

Part III of ch. 163, F.S., the "Community Redevelopment Act of 1969," grants local governments with the authority to establish community redevelopment agencies (CRAs). CRAs are used to assist local governments in the elimination of slum and blight and to restore the declining tax base of these areas. CRAs are required to develop a community redevelopment plan for the rehabilitation and redevelopment of designated slum and blighted areas, and are permitted to establish a redevelopment trust fund using revenues derived from tax increment financing.

In tax increment financing, property values in a certain defined community redevelopment area are frozen by local ordinance at the assessed value for a particular base year. As redevelopment proceeds within the redevelopment area, the actual assessed value of property within the redevelopment area should increase. Taxing authorities located within the community redevelopment area are required to deposit the incremental revenue received as a result of this increase in property value in a redevelopment trust fund established by the CRA to pay for the redevelopment. A "public body" or "taxing authority" is defined in s. 163.340(2), F.S., as the state or any county, municipality, authority, special district as defined in s. 165.031(5), or other public body of the state, except a school district.

The South Broward Hospital District was created by ch. 24415, L.O.F., in 1947. Currently, it is considered a public body or taxing authority for the purposes of part III of ch. 163, F.S. The hospital district is currently subject to tax increments of any community redevelopment agencies within which the hospital district is located.

B. EFFECT OF PROPOSED CHANGES:

The bill provides that the South Broward Hospital District is not to be considered a "public body" or "taxing authority" as those terms are used in part III of ch. 163, F.S. Consequently, the district would not be required to submit tax increment revenues to any CRAs in the district. However, the bill provides that "this provision shall not apply to any community redevelopment agencies established prior to January 1, 1998." The exemption only applies to CRAs established after January 1, 1998.

This act shall take effect upon becoming a law, and shall apply retroactively to December 31, 1998.

C. LAWS OF FLORIDA/FLORIDA STATUTES AFFECTED:

Adds s. 41 to ch. 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?

N/A

(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?

N/A

(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?

No.

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

No.

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

No.

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

No.

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?

N/A

4. Individual Freedom:

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

N/A

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

N/A

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 ANALYSIS:

Section 1. Adds s. 41 to ch. 24415, Laws of Florida, 1947, as amended, to provide that the South Broward Hospital District is not to be considered a "public body" or "taxing authority" as those terms are used in part III of ch. 163, Florida Statutes.

It further provides that this provision applies to community redevelopment agencies established after January 1, 1998, but does not apply to any community redevelopment agencies established prior to January 1, 1998.

Section 2. Provides that this act takes effect upon becoming a law, and applies retroactively to December 31, 1998.

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III. NOTICE/REFERENDUM AND OTHER REQUIREMENTS:

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

IF YES, WHEN? January 31, 1998.

WHERE? The Miami Herald, Miami, Dade County, Florida.

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 the Economic Impact Statement, the bill will have no impact on government or the private sector. If a community redevelopment authority is established after January 1, 1998, it would not derive any tax increments (revenues) from the South Broward Hospital District.

A similar measure was filed last year (HB 4769 by Rep. Rayson). The bill passed the House and died in the Senate Community Affairs Committee. The bill's Senate companion, SB 2694 (i) died in the Senate Committee on Community Affairs on May 1, 1998.

V. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

None.

VI. SIGNATURES:

COMMITTEE ON HEALTH CARE LICENSING & REGULATION:

Prepared by:

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