

By Senator Clary

7-1044-99

See HB

1                                   A bill to be entitled  
 2           An act relating to revenue sharing; amending  
 3           ss. 218.21, 218.215, 218.23, 218.245, 218.25,  
 4           and 218.26, F.S.; renaming the Revenue Sharing  
 5           Trust Fund for Counties as the Revenue Sharing  
 6           Trust Fund for Counties and Municipalities and  
 7           providing for deposit of revenue designated for  
 8           revenue sharing therein; terminating the  
 9           Revenue Sharing Trust Fund for Municipalities  
 10          and transferring the revenues therein to the  
 11          Revenue Sharing Trust Fund for Counties and  
 12          Municipalities; providing that the  
 13          apportionment factor for distribution of  
 14          revenue sharing funds to eligible counties and  
 15          municipalities shall be based solely on  
 16          population; amending s. 199.292, F.S., relating  
 17          to disposition of intangible personal property  
 18          taxes, s. 206.605, F.S., relating to  
 19          disposition of the municipal tax on motor fuel,  
 20          s. 206.879, F.S., relating to disposition of  
 21          the state alternative fuel fees, and s. 210.20,  
 22          F.S., relating to disposition of cigarette  
 23          taxes; providing for deposit of proceeds  
 24          designated for revenue sharing under said  
 25          sections in the Revenue Sharing Trust Fund for  
 26          Counties and Municipalities; providing an  
 27          effective date.

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 29 Be It Enacted by the Legislature of the State of Florida:  
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1           Section 1. Subsections (5), (6), (7), and (10) of  
2 section 218.21, Florida Statutes, are amended to read:

3           218.21 Definitions.--As used in this part, the  
4 following words and terms shall have the meanings ascribed  
5 them in this section, except where the context clearly  
6 indicates a different meaning:

7           (5) "Entitlement" means the amount of revenue which  
8 would be shared with an eligible unit of local government if  
9 the distribution from the trust fund funds were based solely  
10 on the formula computation.

11           (6) "Guaranteed entitlement" means the amount of  
12 revenue which must be shared with an eligible unit of local  
13 government so that:

14           (a) No eligible county shall receive less funds from  
15 the Revenue Sharing Trust Fund for Counties and Municipalities  
16 in any fiscal year than the amount received in the aggregate  
17 from the state in fiscal year 1971-1972 under the provisions  
18 of the then-existing s. 210.20(2)(c), tax on cigarettes; s.  
19 323.16(4), road tax; and s. 199.292(4), tax on intangible  
20 personal property.

21           (b) No eligible municipality shall receive less funds  
22 from the Revenue Sharing Trust Fund for Counties and  
23 Municipalities in any fiscal year than the aggregate amount it  
24 received from the state in fiscal year 1971-1972 under the  
25 provisions of the then-existing s. 210.20(2)(a), tax on  
26 cigarettes; s. 323.16(3), road tax; and s. 206.605, tax on  
27 motor fuel; ~~except that for the 1993-1994 fiscal year, any~~  
28 ~~government exercising municipal powers pursuant to s. 6(f),~~  
29 ~~Art. VIII of the State Constitution shall not receive less~~  
30 ~~funds from any such revenue sharing trust fund than the~~  
31 ~~aggregate amount it received from the state in the preceding~~

1 ~~state fiscal year under the provisions of this part, plus a 7~~  
2 ~~percent increase in such amount. Effective for in the~~  
3 ~~1999-2000 1994-1995~~ fiscal year ~~and thereafter~~, any government  
4 exercising municipal powers under s. 6(f), Art. VIII of the  
5 State Constitution may not receive less than the aggregate  
6 amount it received from the Revenue Sharing Trust Fund for  
7 Municipalities in the preceding fiscal year, plus a percentage  
8 increase in such amount equal to the percentage increase of  
9 the Revenue Sharing Trust Fund for Municipalities for the  
10 preceding fiscal year. Thereafter, any such government may  
11 not receive less than the aggregate amount it received from  
12 the Revenue Sharing Trust Fund for Counties and Municipalities  
13 in the preceding fiscal year, plus a percentage increase in  
14 such amount equal to the percentage increase of the Revenue  
15 Sharing Trust Fund for Counties and Municipalities for the  
16 preceding fiscal year.

17 (7) "Minimum entitlement" means the amount of revenue,  
18 as certified by a unit of local government and determined by  
19 the department, which must be shared with a unit of local  
20 government so that such unit will receive the amount of  
21 revenue necessary to meet its obligations as a result of  
22 pledges or assignments or trusts entered into which obligated  
23 funds received from revenue sources or proceeds which by terms  
24 of this act shall henceforth be distributed out of the revenue  
25 sharing trust fund funds.

26 (10) "Second guaranteed entitlement for counties"  
27 means the amount of revenue received in the aggregate by an  
28 eligible county in fiscal year 1981-1982 under the provisions  
29 of the then-existing s. 210.20(2)(a), tax on cigarettes, and  
30 s. 199.292(4), tax on intangible personal property, less the  
31 guaranteed entitlement. For any fiscal year, each eligible

1 county shall be entitled to receive the second guaranteed  
2 entitlement for counties from the Revenue Sharing Trust Fund  
3 for Counties and Municipalities. The second guaranteed  
4 entitlement for counties shall be deemed separate and apart  
5 from the guaranteed entitlement and shall not be deemed to be  
6 a part of the guaranteed entitlement for purposes of any  
7 indenture, contract, or pledge to holders of obligations  
8 issued by any county.

9 Section 2. Section 218.215, Florida Statutes, is  
10 amended to read:

11 218.215 Revenue sharing trust fund funds; creation and  
12 distribution.--

13 ~~(1)~~ The Revenue Sharing Trust Fund for Counties and  
14 Municipalities is hereby created. All revenue designated for  
15 deposit in such fund shall be deposited by the appropriate  
16 agency. The distribution to the several counties and  
17 municipalities shall be made monthly as provided in ss. 218.23  
18 and 218.26.

19 ~~(2) The Revenue Sharing Trust Fund for Municipalities~~  
20 ~~is hereby created. All revenue designated for deposit in such~~  
21 ~~fund shall be deposited by the appropriate agency. The~~  
22 ~~distribution to the several municipalities shall be made~~  
23 ~~monthly as provided in ss. 218.23 and 218.26.~~

24 Section 3. Paragraphs (a) and (e) of subsection (2) of  
25 section 218.23, Florida Statutes, are amended to read:

26 218.23 Revenue sharing with units of local  
27 government.--

28 (2) The distribution to a unit of local government  
29 under this part is determined by the following formula:

30 (a) First, the entitlement of an eligible unit of  
31 local government shall be computed on the basis of the

1 apportionment factor provided in s. 218.245, which shall be  
2 applied for all eligible units of local government to all  
3 receipts available for distribution in the ~~respective~~ revenue  
4 sharing trust fund.

5 (e) Fifth, after the adjustments provided in  
6 paragraphs (b), (c), and (d), and after deducting the amount  
7 committed to all the units of local government, the funds  
8 remaining in the ~~respective~~ trust fund funds shall be  
9 distributed to those eligible units of local government which  
10 qualify to receive additional moneys beyond the guaranteed  
11 entitlement, on the basis of the additional money of each  
12 qualified unit of local government in proportion to the total  
13 additional money of all qualified units of local government.

14 Section 4. Section 218.245, Florida Statutes, is  
15 amended to read:

16 218.245 Revenue sharing; apportionment.--

17 (1) The apportionment factor for each eligible county  
18 shall be equal to the ~~all eligible counties shall be composed~~  
19 ~~of three equally weighted portions as follows:~~

20 ~~(a) Each eligible county's percentage of the total~~  
21 ~~population of all eligible counties in the state.~~

22 ~~(b) Each eligible county's percentage of the total~~  
23 ~~population of the state residing in unincorporated areas of~~  
24 ~~all eligible counties~~ which is represented by the county's  
25 population residing in unincorporated areas.

26 ~~(c) Each eligible county's percentage of total sales~~  
27 ~~tax collections in all eligible counties during the preceding~~  
28 ~~year.~~

29 (2) The apportionment factor for each ~~all~~ eligible  
30 municipality municipalities shall be equal to the percentage  
31 of ~~composed of three equally weighted portions as follows:~~

1           ~~(a) The proportion of the population of a given~~  
2 ~~municipality to the total population of all the eligible~~  
3 ~~municipalities in the state which is represented by the~~  
4 ~~municipality's population., as adjusted by the following~~  
5 ~~factors:~~

6           1. ~~For a municipality with a population in excess of~~  
7 ~~50,000, the population shall be adjusted by multiplying its~~  
8 ~~population by a factor of 1.791.~~

9           2. ~~For a municipality with a population in excess of~~  
10 ~~20,000, but less than 50,001, the population shall be adjusted~~  
11 ~~by multiplying its population by a factor of 1.709.~~

12           3. ~~For a municipality with a population in excess of~~  
13 ~~5,000, but less than 20,001, the population shall be adjusted~~  
14 ~~by multiplying its population by a factor of 1.425.~~

15           4. ~~For a municipality with a population in excess of~~  
16 ~~2,000, but less than 5,001, the population shall be adjusted~~  
17 ~~by multiplying its population by a factor of 1.135.~~

18           ~~(b) The proportion of the sales tax collected within a~~  
19 ~~given municipality to the total sales tax collected within all~~  
20 ~~the eligible municipalities in the state. The sales tax~~  
21 ~~collected within a given municipality shall be derived by~~  
22 ~~allocating the amount of sales tax collections for the county~~  
23 ~~in which the municipality is located to each municipality in~~  
24 ~~the county on the basis of the proportion of each~~  
25 ~~municipality's population to the total population of the~~  
26 ~~county.~~

27           ~~(c) The ratio of the relative local ability to raise~~  
28 ~~revenue, to be determined:~~

29           1. ~~By dividing the per capita nonexempt assessed real~~  
30 ~~and personal property valuation of all eligible municipalities~~

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1 ~~by the per capita nonexempt real and personal property~~  
2 ~~valuation of each eligible municipality.~~

3 ~~2. By multiplying the population of an eligible~~  
4 ~~municipality by the percentage applicable to that municipality~~  
5 ~~as established under subparagraph 1.~~

6 ~~3. By dividing the population, as recalculated to~~  
7 ~~reflect the relative local ability, by the total recalculated~~  
8 ~~population of all eligible municipalities in the state.~~

9 ~~(d) For a metropolitan or consolidated government, as~~  
10 ~~provided by s. 3, s. 6(e), or s. 6(f), Art. VIII of the State~~  
11 ~~Constitution, the population or sales tax collections of the~~  
12 ~~unincorporated area or areas outside of urban service~~  
13 ~~districts, if such have been established, as determined in~~  
14 ~~paragraphs (a) through (c) above and after adjustments made as~~  
15 ~~provided therein, shall be further adjusted by multiplying the~~  
16 ~~adjusted or recalculated population or sales tax collections,~~  
17 ~~as the case may be, by a percentage which is derived by~~  
18 ~~dividing:~~

19 ~~1. The total amount of ad valorem taxes levied by the~~  
20 ~~county government on real and personal property in the area of~~  
21 ~~the county outside of municipal limits, as created pursuant to~~  
22 ~~general or special law, or outside of urban service district~~  
23 ~~limits, where such are established; by~~

24 ~~2. The total amount of ad valorem taxes levied on real~~  
25 ~~and personal property by the county and municipal governments.~~

26 Section 5. Subsection (1) of section 218.25, Florida  
27 Statutes, is amended to read:

28 218.25 Limitation of shared funds; holders of bonds  
29 protected; limitation on use of second guaranteed entitlement  
30 for counties.--

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1           (1) Except as provided in subsection (2) with respect  
2 to the second guaranteed entitlement for counties, local  
3 governments shall not use any portion of the moneys received  
4 in excess of the guaranteed entitlement from the revenue  
5 sharing trust fund ~~funds~~ created by this part to assign,  
6 pledge, or set aside as a trust for the payment of principal  
7 or interest on bonds, tax anticipation certificates, or any  
8 other form of indebtedness, and there shall be no other use  
9 restriction on revenues shared pursuant to this part. The  
10 state does hereby covenant with holders of bonds or other  
11 instruments of indebtedness issued by local governments prior  
12 to July 1, 1972, that it is not the intent of this part to  
13 affect adversely the rights of said holders or to relieve  
14 local governments of the duty to meet their obligations as a  
15 result of previous pledges or assignments or trusts entered  
16 into which obligated funds received from revenue sources which  
17 by terms of this part shall henceforth be distributed out of  
18 the revenue sharing trust fund ~~funds~~.

19           Section 6. Subsection (2) of section 218.26, Florida  
20 Statutes, is amended to read:

21           218.26 Administration; distribution schedule.--

22           (2) The department shall, for all taxes collected and  
23 received into the revenue sharing trust fund ~~funds~~, establish  
24 a schedule of equal monthly distribution for any computation  
25 period. The department is authorized to receive funds  
26 pursuant to s. 215.18 at any time in order to make such  
27 monthly payments by the 25th day of the month.

28           Section 7. The Revenue Sharing Trust Fund for  
29 Municipalities is terminated. The current balance remaining  
30 in, and all revenues of, the trust fund shall be transferred

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1 to the Revenue Sharing Trust Fund for Counties and  
2 Municipalities.

3 Section 8. Subsection (3) of section 199.292, Florida  
4 Statutes, 1998 Supplement, is amended to read:

5 199.292 Disposition of intangible personal property  
6 taxes.--All intangible personal property taxes collected  
7 pursuant to this chapter shall be placed in a special fund  
8 designated as the "Intangible Tax Trust Fund." The fund shall  
9 be disbursed as follows:

10 (3) Of the remaining intangible personal property  
11 taxes collected, an amount equal to 35.3 percent in state  
12 fiscal year 1998-1999 and an amount equal to 37.7 percent in  
13 each year thereafter, shall be transferred to the Revenue  
14 Sharing Trust Fund for Counties and Municipalities. Of the  
15 remaining taxes collected, an amount equal to 64.7 percent in  
16 state fiscal year 1998-1999 and an amount equal to 62.3  
17 percent in each year thereafter, shall be transferred to the  
18 General Revenue Fund of the state.

19 Section 9. Subsection (1) of section 206.605, Florida  
20 Statutes, as amended by chapter 95-417, Laws of Florida, is  
21 amended to read:

22 206.605 Municipal tax on motor fuel.--

23 (1) The proceeds of the municipal fuel tax imposed  
24 pursuant to s. 206.41(1)(c), after deducting the service  
25 charge pursuant to chapter 215 and the administrative costs  
26 incurred by the department in collecting, administering,  
27 enforcing, and distributing the tax, which administrative  
28 costs may not exceed 2 percent of collections, shall be  
29 transferred into the Revenue Sharing Trust Fund for Counties  
30 and Municipalities.

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1           Section 10. Subsection (1) of section 206.879, Florida  
2 Statutes, is amended to read:

3           206.879 State and local alternative fuel user fee  
4 clearing trust funds; distribution.--

5           (1) Notwithstanding the provisions of s. 206.875, the  
6 revenues from the state alternative fuel fees imposed by s.  
7 206.877 shall be deposited into the State Alternative Fuel  
8 User Fee Clearing Trust Fund, which is hereby created. After  
9 deducting the service charges provided in s. 215.20, the  
10 proceeds in this trust fund shall be distributed as follows:  
11 one-fifth of the proceeds in calendar year 1991, one-third of  
12 the proceeds in calendar year 1992, three-sevenths of the  
13 proceeds in calendar year 1993, and one-half of the proceeds  
14 in each calendar year thereafter shall be transferred to the  
15 State Transportation Trust Fund; the remainder shall be  
16 distributed as follows: 50 percent shall be transferred to  
17 the State Board of Administration for distribution according  
18 to the provisions of s. 16, Art. IX of the State Constitution  
19 of 1885, as amended; 25 percent shall be transferred to the  
20 Revenue Sharing Trust Fund for Counties and Municipalities;  
21 and the remaining 25 percent shall be distributed using the  
22 formula contained in s. 206.60(1).

23           Section 11. Paragraph (a) of subsection (2) of section  
24 210.20, Florida Statutes, 1998 Supplement, is amended to read:

25           210.20 Employees and assistants; distribution of  
26 funds.--

27           (2) As collections are received by the division from  
28 such cigarette taxes, it shall pay the same into a trust fund  
29 in the State Treasury designated "Cigarette Tax Collection  
30 Trust Fund" which shall be paid and distributed as follows:  
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1 (a) The division shall from month to month certify to  
2 the Comptroller the amount derived from the cigarette tax  
3 imposed by s. 210.02, less the service charges provided for in  
4 s. 215.20 and less 0.9 percent of the amount derived from the  
5 cigarette tax imposed by s. 210.02, which shall be deposited  
6 into the Alcoholic Beverage and Tobacco Trust Fund, specifying  
7 the amounts to be transferred from the Cigarette Tax  
8 Collection Trust Fund and credited on the basis of 5.8 percent  
9 of the net collections to the Municipal Financial Assistance  
10 Trust Fund, 35.3 ~~32.4~~ percent of the net collections to the  
11 Revenue Sharing Trust Fund for Counties and Municipalities,  
12 ~~2.9 percent of the net collections to the Revenue Sharing~~  
13 ~~Trust Fund for Counties~~, and 29.3 percent of the net  
14 collections for the funding of indigent health care to the  
15 Public Medical Assistance Trust Fund.

16 Section 12. This act shall take effect July 1, 1999.

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19 HOUSE SUMMARY

20 Renames the Revenue Sharing Trust Fund for Counties as  
21 the Revenue Sharing Trust Fund for Counties and  
22 Municipalities and terminates the Revenue Sharing Trust  
23 Fund for Municipalities. Provides that all revenues  
24 designated for revenue sharing and presently deposited in  
25 the two separate funds be deposited in the single Revenue  
26 Sharing Trust Fund for Counties and Municipalities.  
27 Provides that the apportionment factor for distribution  
28 of revenue sharing funds to eligible counties and  
29 municipalities shall be based solely on population.  
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