

STORAGE NAME: h1543.ca

DATE: March 29, 1999

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
COMMUNITY AFFAIRS
ANALYSIS - LOCAL LEGISLATION**

BILL #: HB 1543

RELATING TO: City of Pensacola

SPONSOR(S): Representative Maygarden

COMPANION BILL(S): None

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

- (1) COMMUNITY AFFAIRS
 - (2) FINANCE & TAXATION
 - (3)
 - (4)
 - (5)
-

I. SUMMARY:

The bill repeals all special acts relating to the City of Pensacola's publicity tax.

According to the economic impact statement, the fiscal impact to the City of Pensacola is a savings of \$105,672 in fiscal year 1998-99 and \$108,800 in fiscal year 2000-01.

II. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

Chapter 18777, Laws of Florida, 1937, empowered the City of Pensacola to levy and collect an ad valorem tax for publicity purposes. The ad valorem tax could not exceed two mills. Chapter 24804, Laws of Florida, 1947, diverted the proceeds of ½ mill, of the tax levied, for the use of the General Pension and Retirement Fund, and the Firemen's Relief and Pension Fund. Chapter 70-890 amended the act by lowering the tax millage rate from ½ mill to 1/4 mill. Moreover, chapter 70-890, Laws of Florida, provided that if the city was able to appropriate funds from another source of revenue then the City was not obligated to levy the 1/4 mill ad valorem tax. For this reason the tax has not been levied in over 15 years.

A bill to change the City of Pensacola's firefighters' pension law, following successful negotiations of a new fire union contract, is before the 1999 legislature. The proposed bill, places the City's contribution below the minimum required by Chapter 18777, Laws of Florida, 1937, as amended. Therefore, the repeal of chapter 18777, as Laws of Florida, 1937, as amended was part of the negotiations between the City of Pensacola and the union representing the firefighters.

B. EFFECT OF PROPOSED CHANGES:

The bill repeals all special acts relating to chapter 18777, Laws of Florida, 1937.

C. LAWS OF FLORIDA/FLORIDA STATUTES AFFECTED:

Chapter 18777, Laws of Florida, 1937; chapter 21485, Laws of Florida, 1941; chapter 24804, Laws of Florida, 1947; chapter 27815, Laws of Florida, 1951; chapter 67-1899, Laws of Florida; and chapter 70-890, Laws of Florida.

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?

No.

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

No.

b. If an agency or program is eliminated or reduced:

An agency or program is not eliminated or reduced.

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

Not applicable.

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

Not applicable.

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

Not applicable.

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?

No.

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?

No.

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:

The bill does not purport to provide services to families and children.

(1) Who evaluates the family's needs?

Not applicable.

(2) Who makes the decisions?

Not applicable.

(3) Are private alternatives permitted?

Not applicable.

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

Not applicable.

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

Not applicable.

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

No.

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:

The bill does not create or change a program providing services to families or children.

(1) parents and guardians?

Not applicable.

(2) service providers?

Not applicable.

(3) government employees/agencies?

Not applicable.

E. SECTION-BY-SECTION ANALYSIS:

Section 1 -- Repeals Chapter 18777, L.O.F., 1937; chapter 21485, L.O.F., 1941; chapter 24804, L.O.F., 1947; chapter 27815, L.O.F., 1951; chapter 67-1899, L.O.F.; and chapter 70-890, L.O.F.

Section 2 -- Provides that all laws or parts of laws in conflict with this act are repealed.

Section 3 -- Provides for act's effective date upon becoming law.

III. NOTICE/REFERENDUM AND OTHER REQUIREMENTS:

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

IF YES, WHEN? January 31, 1999

WHERE? Pensacola News Journal

STORAGE NAME: h1543.ca

DATE: March 29, 1999

PAGE 5

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 attached to this analysis, the repeal of this act was negotiated and agreed upon by the City of Pensacola's firefighter's union and the City Council. Moreover, the statement indicates that the tax is not currently being levied, and yet that, if repealed, there would be a net savings to the city of \$105,672 in fiscal year 1998-99, and \$108,800 in fiscal year 2000-01. It would appear that this savings would occur only if the tax was currently being levied. It is unclear then if this represents a "real" savings to the city.

V. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

None.

VI. SIGNATURES:

COMMITTEE ON COMMUNITY AFFAIRS:

Prepared by:

Staff Director:

Aimee Diaz

Joan Highsmith-Smith