

By Senator Klein

28-970A-00

1 A bill to be entitled
 2 An act relating to revenue sharing with county
 3 governments; amending s. 199.292, F.S.;
 4 eliminating a transfer of net intangibles tax
 5 collections to the Revenue Sharing Trust Fund
 6 for Counties; amending s. 210.20, F.S.;
 7 eliminating the transfer of net cigarette tax
 8 collections to the Revenue Sharing Trust Fund
 9 for Counties; amending s. 212.20, F.S.;
 10 authorizing a separate distribution to the
 11 Revenue Sharing Trust Fund for Counties;
 12 amending s. 218.21, F.S.; modifying a
 13 definition and deleting a definition; amending
 14 s. 218.23, F.S.; providing a new distribution
 15 formula for counties; amending s. 218.25, F.S.;
 16 eliminating the second guaranteed entitlement
 17 for counties; providing an effective date.

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

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 21 Section 1. Subsection (3) of section 199.292, Florida
 22 Statutes, is amended to read:

23 199.292 Disposition of intangible personal property
 24 taxes.--All intangible personal property taxes collected
 25 pursuant to this chapter shall be placed in a special fund
 26 designated as the "Intangible Tax Trust Fund." The fund shall
 27 be disbursed as follows:

28 (3) Of the remaining intangible personal property
 29 taxes collected, the balance ~~an amount equal to 35.3 percent~~
 30 ~~in state fiscal year 1998-1999 and an amount equal to 37.7~~
 31 ~~percent in each year thereafter, shall be transferred to the~~

1 ~~Revenue Sharing Trust Fund for Counties. Of the remaining~~
2 ~~taxes collected, an amount equal to 64.7 percent in state~~
3 ~~fiscal year 1998-1999 and an amount equal to 62.3 percent in~~
4 ~~each year thereafter, shall be transferred to the General~~
5 Revenue Fund of the state.

6 Section 2. Paragraph (a) of subsection (2) of section
7 210.20, Florida Statutes, is amended to read:

8 210.20 Employees and assistants; distribution of
9 funds.--

10 (2) As collections are received by the division from
11 such cigarette taxes, it shall pay the same into a trust fund
12 in the State Treasury designated "Cigarette Tax Collection
13 Trust Fund" which shall be paid and distributed as follows:

14 (a) The division shall from month to month certify to
15 the Comptroller the amount derived from the cigarette tax
16 imposed by s. 210.02, less the service charges provided for in
17 s. 215.20 and less 0.9 percent of the amount derived from the
18 cigarette tax imposed by s. 210.02, which shall be deposited
19 into the Alcoholic Beverage and Tobacco Trust Fund, specifying
20 the amounts to be transferred from the Cigarette Tax
21 Collection Trust Fund and credited on the basis of 5.8 percent
22 of the net collections to the Municipal Financial Assistance
23 Trust Fund, 32.4 percent of the net collections to the Revenue
24 Sharing Trust Fund for Municipalities, ~~2.9 percent of the net~~
25 ~~collections to the Revenue Sharing Trust Fund for Counties,~~
26 and 29.3 percent of the net collections for the funding of
27 indigent health care to the Public Medical Assistance Trust
28 Fund.

29 Section 3. Paragraph (f) of subsection (6) of section
30 212.20, Florida Statutes, is amended to read:

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1 212.20 Funds collected, disposition; additional powers
2 of department; operational expense; refund of taxes
3 adjudicated unconstitutionally collected.--

4 (6) Distribution of all proceeds under this chapter
5 shall be as follows:

6 (f) The proceeds of all other taxes and fees imposed
7 pursuant to this chapter shall be distributed as follows:

8 1. In any fiscal year, the greater of \$500 million,
9 minus an amount equal to 4.6 percent of the proceeds of the
10 taxes collected pursuant to chapter 201, or 5 percent of all
11 other taxes and fees imposed pursuant to this chapter shall be
12 deposited in monthly installments into the General Revenue
13 Fund.

14 2. Two-tenths of one percent shall be transferred to
15 the Solid Waste Management Trust Fund.

16 3. After the distribution under subparagraphs 1. and
17 2., 9.653 percent of the amount remitted by a sales tax dealer
18 located within a participating county pursuant to s. 218.61
19 shall be transferred into the Local Government Half-cent Sales
20 Tax Clearing Trust Fund.

21 4. After the distribution under subparagraphs 1., 2.,
22 and 3., 0.054 percent shall be transferred to the Local
23 Government Half-cent Sales Tax Clearing Trust Fund and
24 distributed pursuant to s. 218.65.

25 5. For sales tax proceeds received after July 1, 2000,
26 and after the distributions under subparagraphs 1.-4.,
27 one-twelfth of 2.52749 percent of the prior fiscal year's
28 available proceeds pursuant to this paragraph, shall be
29 transferred to the Revenue Sharing Trust Fund for Counties
30 pursuant to s. 218.215. However, the amount may never be less

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1 than the amount due counties as their guaranteed entitlement
2 as that term is defined in s. 218.21(6)(a).

3 6.5. Of the remaining proceeds:

4 a. Beginning July 1, 1992, \$166,667 shall be
5 distributed monthly by the department to each applicant that
6 has been certified as a "facility for a new professional
7 sports franchise" or a "facility for a retained professional
8 sports franchise" pursuant to s. 288.1162 and \$41,667 shall be
9 distributed monthly by the department to each applicant that
10 has been certified as a "new spring training franchise
11 facility" pursuant to s. 288.1162. Distributions shall begin
12 60 days following such certification and shall continue for 30
13 years. Nothing contained in this paragraph ~~herein~~ shall be
14 construed to allow an applicant certified pursuant to s.
15 288.1162 to receive more in distributions than actually
16 expended by the applicant for the public purposes provided for
17 in s. 288.1162(7). However, a certified applicant shall
18 receive distributions up to the maximum amount allowable and
19 undistributed under this section for additional renovations
20 and improvements to the facility for the franchise without
21 additional certification.

22 b. Beginning 30 days after notice by the Office of
23 Tourism, Trade, and Economic Development to the Department of
24 Revenue that an applicant has been certified as the
25 professional golf hall of fame pursuant to s. 288.1168 and is
26 open to the public, \$166,667 shall be distributed monthly, for
27 up to 300 months, to the applicant.

28 c. Beginning 30 days after notice by the Department of
29 Commerce to the Department of Revenue that the applicant has
30 been certified as the International Game Fish Association
31 World Center facility pursuant to s. 288.1169, and the

1 facility is open to the public, \$83,333 shall be distributed
2 monthly, for up to 180 months, to the applicant. This
3 distribution is subject to reduction pursuant to s. 288.1169.

4 7.6. All other proceeds shall remain with the General
5 Revenue Fund.

6 Section 4. Section 218.21, Florida Statutes, is
7 amended to read:

8 218.21 Definitions.--As used in this part, the
9 following words and terms shall have the meanings ascribed
10 them in this section, except where the context clearly
11 indicates a different meaning:

12 (1) "Unit of local government" means a county or
13 municipal government and shall not include any special
14 district as defined in part III.

15 (2) "County" means a political subdivision of the
16 state as established pursuant to s. 1, Art. VIII of the State
17 Constitution.

18 (3) "Municipality" means a municipality created
19 pursuant to general or special law and metropolitan and
20 consolidated governments as provided in s. 6(e) and (f), Art.
21 VIII of the State Constitution. Such municipality must have
22 held an election for its legislative body pursuant to law and
23 established such a legislative body which meets pursuant to
24 law.

25 (4) "Department" means the Department of Revenue.

26 (5) "Entitlement" means the amount of revenue which
27 would be shared with an eligible unit of local government if
28 the distribution from trust funds were based solely on the
29 formula computation.

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

4 (a) In state fiscal year 2000-2001 and each fiscal
5 year thereafter, no eligible county shall receive less funds
6 from the Revenue Sharing Trust Fund for Counties ~~in any fiscal~~
7 ~~year~~ than 90 percent of the amount received in the aggregate
8 from the state in fiscal year 1999-2000 ~~1971-1972~~ under the
9 provisions of the then-existing s. 210.20(2)(a)~~s.~~
10 ~~210.20(2)(c)~~, tax on cigarettes, ~~s. 323.16(4)~~, ~~road tax~~ and
11 s. 199.292(3)~~s. 199.292(4)~~, tax on intangible personal
12 property.

13 (b) No eligible municipality shall receive less funds
14 from the Revenue Sharing Trust Fund for Municipalities in any
15 fiscal year than the aggregate amount it received from the
16 state in fiscal year 1971-1972 under the provisions of the
17 then-existing s. 210.20(2)(a), tax on cigarettes; s.
18 323.16(3), road tax; and s. 206.605, tax on motor fuel. Any
19 government exercising municipal powers under s. 6(f), Art.
20 VIII of the State Constitution may not receive less than the
21 aggregate amount it received from the Revenue Sharing Trust
22 Fund for Municipalities in the preceding fiscal year, plus a
23 percentage increase in such amount equal to the percentage
24 increase of the Revenue Sharing Trust Fund for Municipalities
25 for the preceding fiscal year.

26 (7) "Minimum entitlement" means the amount of revenue,
27 as certified by a unit of local government and determined by
28 the department, which must be shared with a unit of local
29 government so that such unit will receive the amount of
30 revenue necessary to meet its obligations as a result of
31 pledges or assignments or trusts entered into which obligated

1 funds received from revenue sources or proceeds which by terms
2 of this act shall henceforth be distributed out of revenue
3 sharing trust funds.

4 (8) "Population" means the latest official state
5 estimate of population certified pursuant to s. 186.901 or, if
6 there is no independent annual certification of population for
7 any urban service district necessary to the requirements of
8 this part, the population of such district shall be determined
9 by applying the latest available percentage distribution to
10 the population of the area affected.

11 (9) "All receipts available" means the amount
12 estimated to be available for distribution during the fiscal
13 year as determined, and as amended from time to time, by the
14 department.

15 ~~(10) "Second guaranteed entitlement for counties"~~
16 ~~means the amount of revenue received in the aggregate by an~~
17 ~~eligible county in fiscal year 1981-1982 under the provisions~~
18 ~~of the then-existing s. 210.20(2)(a), tax on cigarettes, and~~
19 ~~s. 199.292(4), tax on intangible personal property, less the~~
20 ~~guaranteed entitlement. For any fiscal year, each eligible~~
21 ~~county shall be entitled to receive the second guaranteed~~
22 ~~entitlement for counties from the Revenue Sharing Trust Fund~~
23 ~~for Counties. The second guaranteed entitlement for counties~~
24 ~~shall be deemed separate and apart from the guaranteed~~
25 ~~entitlement and shall not be deemed to be a part of the~~
26 ~~guaranteed entitlement for purposes of any indenture,~~
27 ~~contract, or pledge to holders of obligations issued by any~~
28 ~~county.~~

29 Section 5. Section 218.23, Florida Statutes, is
30 amended to read:

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1 218.23 Revenue sharing with units of local
2 government.--

3 (1) To be eligible to participate in revenue sharing
4 beyond the minimum entitlement in any fiscal year, a unit of
5 local government is required to have:

6 (a) Reported its finances for its most recently
7 completed fiscal year to the Department of Banking and
8 Finance, pursuant to s. 218.32.

9 (b) Made provisions for annual postaudits of its
10 financial accounts in accordance with provisions of law.

11 (c) Levied, as shown on its most recent financial
12 report pursuant to s. 218.32, ad valorem taxes, exclusive of
13 taxes levied for debt service or other special millages
14 authorized by the voters, to produce the revenue equivalent to
15 a millage rate of 3 mills on the dollar based on the 1973
16 taxable values as certified by the property appraiser pursuant
17 to s. 193.122(2) or, in order to produce revenue equivalent to
18 that which would otherwise be produced by such 3-mill ad
19 valorem tax, to have received a remittance from the county
20 pursuant to s. 125.01(6)(a), collected an occupational license
21 tax or a utility tax, levied an ad valorem tax, or received
22 revenue from any combination of these four sources. If a new
23 municipality is incorporated, the provisions of this paragraph
24 shall apply to the taxable values for the year of
25 incorporation as certified by the property appraiser. This
26 paragraph requires only a minimum amount of revenue to be
27 raised from the ad valorem tax, the occupational license tax,
28 and the utility tax. It does not require a minimum millage
29 rate.

30 (d) Certified that persons in its employ as law
31 enforcement officers, as defined in s. 943.10(1), meet the

1 qualifications for employment as established by the Criminal
2 Justice Standards and Training Commission; that its salary
3 structure and salary plans meet the provisions of chapter 943;
4 and that no law enforcement officer is compensated for his or
5 her services at an annual salary rate of less than \$6,000.
6 However, the department may waive the minimum law enforcement
7 officer salary requirement if a city or county certifies that
8 it is levying ad valorem taxes at 10 mills.

9 (e) Certified that persons in its employ as
10 firefighters, as defined in s. 633.30(1), meet the
11 qualification for employment as established by the Division of
12 State Fire Marshal pursuant to the provisions of ss. 633.34
13 and 633.35 and that the provisions of s. 633.382 have been
14 met.

15 (f) Certified that each dependent special district
16 that is budgeted separately from the general budget of the
17 local governing authority has met the provisions for annual
18 postaudit of its financial accounts in accordance with the
19 provisions of law.

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21 Additionally, to receive its share of revenue sharing funds, a
22 unit of local government shall certify to the Department of
23 Revenue that the requirements of s. 200.065, if applicable,
24 were met. The certification shall be made annually within 30
25 days of adoption of an ordinance or resolution establishing a
26 final property tax levy or, if no property tax is levied, not
27 later than November 1. The portion of revenue sharing funds
28 which, pursuant to this part, would otherwise be distributed
29 to a unit of local government which has not certified
30 compliance or has otherwise failed to meet the requirements of
31 s. 200.065 shall be deposited in the General Revenue Fund for

1 the 12 months following a determination of noncompliance by
2 the department.

3 (2) The distribution to an eligible county under this
4 part is determined by the following formula:

5 (a) Each eligible county shall receive the guaranteed
6 entitlement for all receipts available for distribution in the
7 Revenue Sharing Trust Fund for Counties.

8 (b) After the adjustment provided in paragraph (a), a
9 distribution for each eligible county shall be computed on the
10 basis of the apportionment factor provided in s. 218.245,
11 which shall be applied to all remaining receipts available for
12 distribution in the Revenue Sharing Trust Fund for Counties.

13 (3) The distribution to an eligible municipality under
14 this part is determined by the following formula:

15 (a) Each eligible municipality shall receive the
16 guaranteed entitlement for all receipts available for
17 distribution in the Revenue Sharing Trust Fund for
18 Municipalities.

19 (b) After the adjustment provided in paragraph (a), a
20 distribution for each eligible municipality shall be computed
21 on the basis of the apportionment factor provided in s.
22 218.245, which shall be applied to all remaining receipts
23 available for distribution in the Revenue Sharing Trust Fund
24 for Municipalities.

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

27 ~~(a) First, the entitlement of an eligible unit of~~
28 ~~local government shall be computed on the basis of the~~
29 ~~apportionment factor provided in s. 218.245, which shall be~~
30 ~~applied for all eligible units of local government to all~~

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1 ~~receipts available for distribution in the respective revenue~~
2 ~~sharing trust fund.~~

3 ~~(b) Second, revenue shared with eligible units of~~
4 ~~local government for any fiscal year shall be adjusted so that~~
5 ~~no eligible unit of local government receives less funds than~~
6 ~~its guaranteed entitlement.~~

7 ~~(c) Third, revenues shared with counties for any~~
8 ~~fiscal year shall be adjusted so that no county receives less~~
9 ~~funds than its guaranteed entitlement plus the second~~
10 ~~guaranteed entitlement for counties.~~

11 ~~(d) Fourth, revenue shared with units of local~~
12 ~~government for any fiscal year shall be adjusted so that no~~
13 ~~unit of local government receives less funds than its minimum~~
14 ~~entitlement.~~

15 ~~(e) Fifth, after the adjustments provided in~~
16 ~~paragraphs (b), (c), and (d), and after deducting the amount~~
17 ~~committed to all the units of local government, the funds~~
18 ~~remaining in the respective trust funds shall be distributed~~
19 ~~to those eligible units of local government which qualify to~~
20 ~~receive additional moneys beyond the guaranteed entitlement,~~
21 ~~on the basis of the additional money of each qualified unit of~~
22 ~~local government in proportion to the total additional money~~
23 ~~of all qualified units of local government.~~

24 (4)~~(3)~~ Notwithstanding the provisions of paragraph
25 (1)(c), no unit of local government which was eligible to
26 participate in revenue sharing in the 3 years prior to
27 initially participating in the local government half-cent
28 sales tax shall be ineligible to participate in revenue
29 sharing solely due to a millage or utility tax reduction
30 afforded by the local government half-cent sales tax.

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1 Section 6. Section 218.25, Florida Statutes, is
2 amended to read:

3 218.25 Limitation of shared funds; holders of bonds
4 ~~protected; limitation on use of second guaranteed entitlement~~
5 ~~for counties.--~~

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

24 ~~(2) The second guaranteed entitlement for counties may~~
25 ~~be assigned, pledged, or set aside as a trust for the payment~~
26 ~~of principal or interest on bonds, tax anticipation~~
27 ~~certificates, or any other form of indebtedness, including~~
28 ~~obligations issued to acquire an insurance contract or~~
29 ~~contracts from a local government liability pool and including~~
30 ~~payments required pursuant to any loan agreement entered into~~

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1 ~~to provide funds to acquire an insurance contract or contracts~~
2 ~~from a local government liability pool.~~

3 Section 7. This act shall take effect July 1, 2000.

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SENATE SUMMARY

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Revises the method of sharing revenues with county governments.

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