

By the Committee on Fiscal Resource and Senator Klein

314-1985-00

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 distribution of a portion of
5 intangible personal property tax revenues to
6 the Revenue Sharing Trust Fund for Counties;
7 amending s. 210.20, F.S.; eliminating
8 distribution of a portion of cigarette tax
9 revenues to the trust fund; amending s. 212.20,
10 F.S.; providing for distribution of a portion
11 of sales and use tax proceeds to the trust
12 fund; amending s. 218.21, F.S.; revising the
13 method for determining the guaranteed
14 entitlement for eligible counties from the
15 trust fund; eliminating the second guaranteed
16 entitlement for counties; amending s. 218.23,
17 F.S.; providing for an annual distribution from
18 the trust fund to certain consolidated units of
19 local government; amending s. 218.25, F.S.;
20 removing provisions relating to the assignment
21 or pledge of the second guaranteed entitlement
22 for counties; amending s. 288.1169, F.S., to
23 conform; repealing s. 218.251, F.S., which
24 provides for an additional distribution to
25 certain consolidated governments, subject to
26 annual appropriations; providing an effective
27 date.

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29 Be It Enacted by the Legislature of the State of Florida:
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1 Section 1. Subsection (3) of section 199.292, Florida
2 Statutes, is amended to read:

3 199.292 Disposition of intangible personal property
4 taxes.--All intangible personal property taxes collected
5 pursuant to this chapter shall be placed in a special fund
6 designated as the "Intangible Tax Trust Fund." The fund shall
7 be disbursed as follows:

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

17 Section 2. Paragraph (a) of subsection (2) of section
18 210.20, Florida Statutes, is amended to read:

19 210.20 Employees and assistants; distribution of
20 funds.--

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

25 (a) The division shall from month to month certify to
26 the Comptroller the amount derived from the cigarette tax
27 imposed by s. 210.02, less the service charges provided for in
28 s. 215.20 and less 0.9 percent of the amount derived from the
29 cigarette tax imposed by s. 210.02, which shall be deposited
30 into the Alcoholic Beverage and Tobacco Trust Fund, specifying
31 the amounts to be transferred from the Cigarette Tax

1 Collection Trust Fund and credited on the basis of 5.8 percent
2 of the net collections to the Municipal Financial Assistance
3 Trust Fund, 32.4 percent of the net collections to the Revenue
4 Sharing Trust Fund for Municipalities, ~~2.9 percent of the net~~
5 ~~collections to the Revenue Sharing Trust Fund for Counties,~~
6 and 29.3 percent of the net collections for the funding of
7 indigent health care to the Public Medical Assistance Trust
8 Fund.

9 Section 3. Paragraph (f) of subsection (6) of section
10 212.20, Florida Statutes, is amended to read:

11 212.20 Funds collected, disposition; additional powers
12 of department; operational expense; refund of taxes
13 adjudicated unconstitutionally collected.--

14 (6) Distribution of all proceeds under this chapter
15 shall be as follows:

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

18 1. In any fiscal year, the greater of \$500 million,
19 minus an amount equal to 4.6 percent of the proceeds of the
20 taxes collected pursuant to chapter 201, or 5 percent of all
21 other taxes and fees imposed pursuant to this chapter shall be
22 deposited in monthly installments into the General Revenue
23 Fund.

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

26 3. After the distribution under subparagraphs 1. and
27 2., 9.653 percent of the amount remitted by a sales tax dealer
28 located within a participating county pursuant to s. 218.61
29 shall be transferred into the Local Government Half-cent Sales
30 Tax Clearing Trust Fund.

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

5 5. For proceeds received after July 1, 2000, and after
6 the distributions under subparagraphs 1., 2., 3., and 4.,
7 one-twelfth of 2.56323 percent of the prior fiscal year's
8 available proceeds pursuant to this paragraph shall be
9 transferred monthly to the Revenue Sharing Trust Fund for
10 Counties pursuant to s. 218.215. However, the amount shall
11 never be less than the amount due counties as their guaranteed
12 entitlement as defined by s. 218.21(6)(a).

13 ~~6.5.~~ Of the remaining proceeds:

14 a. Beginning July 1, 1992, \$166,667 shall be
15 distributed monthly by the department to each applicant that
16 has been certified as a "facility for a new professional
17 sports franchise" or a "facility for a retained professional
18 sports franchise" pursuant to s. 288.1162 and \$41,667 shall be
19 distributed monthly by the department to each applicant that
20 has been certified as a "new spring training franchise
21 facility" pursuant to s. 288.1162. Distributions shall begin
22 60 days following such certification and shall continue for 30
23 years. Nothing contained herein shall be construed to allow an
24 applicant certified pursuant to s. 288.1162 to receive more in
25 distributions than actually expended by the applicant for the
26 public purposes provided for in s. 288.1162(7). However, a
27 certified applicant shall receive distributions up to the
28 maximum amount allowable and undistributed under this section
29 for additional renovations and improvements to the facility
30 for the franchise without additional certification.

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

7 c. Beginning 30 days after notice by the Department of
8 Commerce to the Department of Revenue that the applicant has
9 been certified as the International Game Fish Association
10 World Center facility pursuant to s. 288.1169, and the
11 facility is open to the public, \$83,333 shall be distributed
12 monthly, for up to 180 months, to the applicant. This
13 distribution is subject to reduction pursuant to s. 288.1169.

14 ~~7.6.~~ All other proceeds shall remain with the General
15 Revenue Fund.

16 Section 4. Section 218.21, Florida Statutes, is
17 amended to read:

18 218.21 Definitions.--As used in this part, the
19 following words and terms shall have the meanings ascribed
20 them in this section, except where the context clearly
21 indicates a different meaning:

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

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

28 (3) "Municipality" means a municipality created
29 pursuant to general or special law and metropolitan and
30 consolidated governments as provided in s. 6(e) and (f), Art.
31 VIII of the State Constitution. Such municipality must have

1 held an election for its legislative body pursuant to law and
2 established such a legislative body which meets pursuant to
3 law.

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

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

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

12 (a) In state fiscal year 2000-2001 and each fiscal
13 year thereafter, no eligible county shall receive less funds
14 from the Revenue Sharing Trust Fund for Counties ~~in any fiscal~~
15 ~~year~~ than 50 percent of the amount received in the aggregate
16 from the state in fiscal year 1999-2000 ~~1971-1972~~ under the
17 provisions of the then-existing s. 210.20(2)(a)~~(c)~~, tax on
18 cigarettes, ~~s. 323.16(4), road tax~~ and s. 199.292(3)~~(4)~~, tax
19 on intangible personal property.

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

3 (7) "Minimum entitlement" means the amount of revenue,
4 as certified by a unit of local government and determined by
5 the department, which must be shared with a unit of local
6 government so that such unit will receive the amount of
7 revenue necessary to meet its obligations as a result of
8 pledges or assignments or trusts entered into which obligated
9 funds received from revenue sources or proceeds which by terms
10 of this act shall henceforth be distributed out of revenue
11 sharing trust funds.

12 (8) "Population" means the latest official state
13 estimate of population certified pursuant to s. 186.901 or, if
14 there is no independent annual certification of population for
15 any urban service district necessary to the requirements of
16 this part, the population of such district shall be determined
17 by applying the latest available percentage distribution to
18 the population of the area affected.

19 (9) "All receipts available" means the amount
20 estimated to be available for distribution during the fiscal
21 year as determined, and as amended from time to time, by the
22 department.

23 ~~(10) "Second guaranteed entitlement for counties"~~
24 ~~means the amount of revenue received in the aggregate by an~~
25 ~~eligible county in fiscal year 1981-1982 under the provisions~~
26 ~~of the then-existing s. 210.20(2)(a), tax on cigarettes, and~~
27 ~~s. 199.292(4), tax on intangible personal property, less the~~
28 ~~guaranteed entitlement. For any fiscal year, each eligible~~
29 ~~county shall be entitled to receive the second guaranteed~~
30 ~~entitlement for counties from the Revenue Sharing Trust Fund~~
31 ~~for Counties. The second guaranteed entitlement for counties~~

1 ~~shall be deemed separate and apart from the guaranteed~~
2 ~~entitlement and shall not be deemed to be a part of the~~
3 ~~guaranteed entitlement for purposes of any indenture,~~
4 ~~contract, or pledge to holders of obligations issued by any~~
5 ~~county.~~

6 Section 5. Section 218.23, Florida Statutes, is
7 amended to read:

8 218.23 Revenue sharing with units of local
9 government.--

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

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

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

18 (c) Levied, as shown on its most recent financial
19 report pursuant to s. 218.32, ad valorem taxes, exclusive of
20 taxes levied for debt service or other special millages
21 authorized by the voters, to produce the revenue equivalent to
22 a millage rate of 3 mills on the dollar based on the 1973
23 taxable values as certified by the property appraiser pursuant
24 to s. 193.122(2) or, in order to produce revenue equivalent to
25 that which would otherwise be produced by such 3-mill ad
26 valorem tax, to have received a remittance from the county
27 pursuant to s. 125.01(6)(a), collected an occupational license
28 tax or a utility tax, levied an ad valorem tax, or received
29 revenue from any combination of these four sources. If a new
30 municipality is incorporated, the provisions of this paragraph
31 shall apply to the taxable values for the year of

1 incorporation as certified by the property appraiser. This
2 paragraph requires only a minimum amount of revenue to be
3 raised from the ad valorem tax, the occupational license tax,
4 and the utility tax. It does not require a minimum millage
5 rate.

6 (d) Certified that persons in its employ as law
7 enforcement officers, as defined in s. 943.10(1), meet the
8 qualifications for employment as established by the Criminal
9 Justice Standards and Training Commission; that its salary
10 structure and salary plans meet the provisions of chapter 943;
11 and that no law enforcement officer is compensated for his or
12 her services at an annual salary rate of less than \$6,000.
13 However, the department may waive the minimum law enforcement
14 officer salary requirement if a city or county certifies that
15 it is levying ad valorem taxes at 10 mills.

16 (e) Certified that persons in its employ as
17 firefighters, as defined in s. 633.30(1), meet the
18 qualification for employment as established by the Division of
19 State Fire Marshal pursuant to the provisions of ss. 633.34
20 and 633.35 and that the provisions of s. 633.382 have been
21 met.

22 (f) Certified that each dependent special district
23 that is budgeted separately from the general budget of the
24 local governing authority has met the provisions for annual
25 postaudit of its financial accounts in accordance with the
26 provisions of law.

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28 Additionally, to receive its share of revenue sharing funds, a
29 unit of local government shall certify to the Department of
30 Revenue that the requirements of s. 200.065, if applicable,
31 were met. The certification shall be made annually within 30

1 days of adoption of an ordinance or resolution establishing a
2 final property tax levy or, if no property tax is levied, not
3 later than November 1. The portion of revenue sharing funds
4 which, pursuant to this part, would otherwise be distributed
5 to a unit of local government which has not certified
6 compliance or has otherwise failed to meet the requirements of
7 s. 200.065 shall be deposited in the General Revenue Fund for
8 the 12 months following a determination of noncompliance by
9 the department.

10 (2) Any unit of local government which is consolidated
11 as provided by s. 9, Art. VIII of the State Constitution of
12 1885, as preserved by s. 6(e), Art. VIII of the 1968 revised
13 constitution, shall receive an annual distribution from the
14 Revenue Sharing Trust Fund for Counties equal to \$6.24 times
15 its population.

16 ~~(3)(2)~~ The distribution to a unit of local government
17 under this part is determined by the following formula:

18 (a) First, the entitlement of an eligible unit of
19 local government shall be computed on the basis of the
20 apportionment factor provided in s. 218.245, which shall be
21 applied for all eligible units of local government to all
22 receipts available for distribution in the respective revenue
23 sharing trust fund.

24 (b) Second, revenue shared with eligible units of
25 local government for any fiscal year shall be adjusted so that
26 no eligible unit of local government receives less funds than
27 its guaranteed entitlement.

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

1 (c)~~(d)~~ Third ~~Fourth~~, revenue shared with units of
2 local government for any fiscal year shall be adjusted so that
3 no unit of local government receives less funds than its
4 minimum entitlement.

5 (d)~~(e)~~ Fourth ~~Fifth~~, after the adjustments provided in
6 paragraphs (b) and,~~(c), and (d)~~, and after deducting the
7 amount committed to all the units of local government, the
8 funds remaining in the respective trust 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 (4)~~(3)~~ Notwithstanding the provisions of paragraph
15 (1)~~(c)~~, no unit of local government which was eligible to
16 participate in revenue sharing in the 3 years prior to
17 initially participating in the local government half-cent
18 sales tax shall be ineligible to participate in revenue
19 sharing solely due to a millage or utility tax reduction
20 afforded by the local government half-cent sales tax.

21 Section 6. Section 218.25, Florida Statutes, is
22 amended to read:

23 218.25 Limitation of shared funds; holders of bonds
24 protected; ~~limitation on use of second guaranteed entitlement~~
25 ~~for counties.--~~

26 ~~(1) Except as provided in subsection (2) with respect~~
27 ~~to the second guaranteed entitlement for counties,~~ Local
28 governments shall not use any portion of the moneys received
29 in excess of the guaranteed entitlement from the revenue
30 sharing trust funds created by this part to assign, pledge, or
31 set aside as a trust for the payment of principal or interest

1 on bonds, tax anticipation certificates, or any other form of
2 indebtedness, and there shall be no other use restriction on
3 revenues shared pursuant to this part. The state does hereby
4 covenant with holders of bonds or other instruments of
5 indebtedness issued by local governments prior to July 1,
6 1972, that it is not the intent of this part to affect
7 adversely the rights of said holders or to relieve local
8 governments of the duty to meet their obligations as a result
9 of previous pledges or assignments or trusts entered into
10 which obligated funds received from revenue sources which by
11 terms of this part shall henceforth be distributed out of the
12 revenue sharing trust funds.

13 ~~(2) The second guaranteed entitlement for counties may~~
14 ~~be assigned, pledged, or set aside as a trust for the payment~~
15 ~~of principal or interest on bonds, tax anticipation~~
16 ~~certificates, or any other form of indebtedness, including~~
17 ~~obligations issued to acquire an insurance contract or~~
18 ~~contracts from a local government liability pool and including~~
19 ~~payments required pursuant to any loan agreement entered into~~
20 ~~to provide funds to acquire an insurance contract or contracts~~
21 ~~from a local government liability pool.~~

22 Section 7. Subsection (6) of section 288.1169, Florida
23 Statutes, is amended to read:

24 288.1169 International Game Fish Association World
25 Center facility; department duties.--

26 (6) The Department of Commerce must recertify every 10
27 years that the facility is open, that the International Game
28 Fish Association World Center continues to be the only
29 international administrative headquarters, fishing museum, and
30 Hall of Fame in the United States recognized by the
31 International Game Fish Association, and that the project is

1 meeting the minimum projections for attendance or sales tax
2 revenues as required at the time of original certification.
3 If the facility is not recertified during this 10-year review
4 as meeting the minimum projections, then funding will be
5 abated until certification criteria are met. If the project
6 fails to generate \$1 million of annual revenues pursuant to
7 paragraph (2)(e), the distribution of revenues pursuant to s.
8 212.20(6)(f)~~6.5~~-c. shall be reduced to an amount equal to
9 \$83,333 multiplied by a fraction, the numerator of which is
10 the actual revenues generated and the denominator of which is
11 \$1 million. Such reduction shall remain in effect until
12 revenues generated by the project in a 12-month period equal
13 or exceed \$1 million.

14 Section 8. Section 218.251, Florida Statutes, is
15 repealed.

16 Section 9. This act shall take effect July 1, 2000.

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18 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
19 COMMITTEE SUBSTITUTE FOR
20 SB 1650

21 This committee substitute provides counties a guaranteed
22 entitlement of 50 percent of the amount they received from the
23 Revenue Sharing Trust Fund for Counties in 1999-2000.

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