

STORAGE NAME: h1769a.er

DATE: March 30, 2000

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
ELECTION REFORM
ANALYSIS - LOCAL LEGISLATION**

BILL #: HB 1769

RELATING TO: City of Hollywood, Broward County

SPONSOR(S): Representative Wasserman-Schultz

TIED BILL(S):

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

- (1) ELECTION REFORM (PRC) YEAS 6 NAYS 0
 - (2) COMMUNITY AFFAIRS (PRC)
 - (3)
 - (4)
 - (5)
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I. SUMMARY:

HB 1769 creates sections 10.07 and 12.23 to Chapter 55-30836, Laws of Florida, to allow an alternative method of modifying the City of Hollywood's Charter relating to the general employee and firefighter's pension plans.

Final passage of this bill will allow amendments to Articles X and XII of the City of Hollywood's Charter by one of two methods. Changes may be effectuated by:

- ▶ A "majority plus one" vote of the City Commission and 50 percent plus one vote of the voting members of the respective retirement fund affected; or
- ▶ A majority vote of electors voting in a referendum election called for such purpose.

This bill has a positive fiscal impact.

This bill shall become effective upon becoming a law.

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- | | | | |
|-----------------------------------|---|--|---|
| 1. <u>Less Government</u> | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | N/A <input type="checkbox"/> |
| 2. <u>Lower Taxes</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. <u>Individual Freedom</u> | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

HB 1769 grants an additional process by which amendments to Articles X and XII of the City of Hollywood's Charter may be effectuated. Changes made pursuant to collective bargaining with respect to the affected funds may be made to the City's Charter without the need for costly referendum elections.

B. PRESENT SITUATION:

Section 166.031, F.S., provides two mechanisms for cities to amend all or part of their charter. The proposed amendment may be provided by city ordinance by the governing body of that city; or directly by the citizens through a petitioning process. In either case, the amendment must be passed by majority vote of the electorate in a referendum election. Charter amendments by special act are not required to be enacted by referendum.

The Hollywood Firemen's Pension Fund was set up under Chapter 63-1427, Laws of Florida, as amended by Chapter 89-429, Laws of Florida, approved by referendum, and codified in Article XII of the City of Hollywood's Charter. The plan is partially funded through premium tax collections under Chapter 175, F.S. The authority to provide employee pension and retirement benefits was granted by Chapter 55-30836, Laws of Florida, and codified in Article X of the City of Hollywood's Charter.

Recent decisions by the Public Employees Relations Commission have allowed changes to be made to pension and retirement plans through the collective bargaining process, irrespective of whether the plan is covered by home rule charter. Changes made to benefit plans through collective bargaining affect both bargaining and non-bargaining unit employees. Therefore, charter amendments are required to include non-bargaining unit employees when changes are made by collective bargaining.

C. EFFECT OF PROPOSED CHANGES:

This bill would allow the City Commission to propose amendments to, or repeal of, sections of Article X and Article XII regarding the City's pension and retirement funds for city employees and firemen. This alternative process would remove the need and expense of holding a referendum election for these focused issues.

Amendments to Articles X and XII could be accomplished by either:

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- ▶ A “majority plus one” vote of the City Commission and 50 percent plus one vote of the voting members of the respective retirement fund affected; or
- ▶ A majority vote of electors voting in a referendum election called for such purpose.

D. SECTION-BY-SECTION ANALYSIS:

Section 1. Creates section 10.07, of Article X, of the City of Hollywood’s Charter to provide an alternative method by which amendments to, or repeal of, Article X may be effectuated.

Section 2. Creates section 12.23, of Article XII, of the City of Hollywood’s Charter to provide an alternative method by which amendments to, or repeal of, Article XII may be effectuated.

Section 3. Provides that the act will effective upon becoming a law.

III. NOTICE/REFERENDUM AND OTHER REQUIREMENTS:

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? January 26, 2000

WHERE? Sun-Sentinel

B. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes, attached No

D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached No

IV. COMMENTS:

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

Not applicable.

C. OTHER COMMENTS:

House Rule 44(a), provides: “If a committee determines that the substance of a local bill may be enacted into law by ordinance of a local governing body, that committee shall not report the bill to the Clerk. However, if a local governing body would be required to call a referendum to enact the substance of a local bill into law, the

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committee may report the local bill.” The City of Hollywood’s Charter does not provide a separate mechanism for amending the City’s Charter. Consequently, any amendment must be effected by referendum as provided in s. 166.031, F.S.

V. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

None.

VI. SIGNATURES:

COMMITTEE ON ELECTION REFORM:

Prepared by:

Staff Director:

R. Michael Paredes

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