

**STORAGE NAME:** h0485.tr

**DATE:** March 27, 2000

**HOUSE OF REPRESENTATIVES  
COMMITTEE ON  
TRANSPORTATION  
ANALYSIS - LOCAL LEGISLATION**

**BILL #:** House Bill 485

**RELATING TO:** Bradford County/Use of Fuel Taxes

**SPONSOR(S):** Rep. Crady

**TIED BILL(S):** N/A

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

- (1) TRANSPORTATION
- (2) COMMUNITY AFFAIRS
- (3) FINANCE & TAXATION
- (4) GENERAL GOVERNMENT APPROPRIATIONS
- (5)

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I. SUMMARY:

This local bill authorizes Bradford County to transfer and use legally restricted fuel taxes for unrestricted purposes for all fiscal years through 1996-1997. This bill provides retroactive legislative approval of any past uses of fuel tax revenues by the county. According to the Bradford County Clerk's Office, \$975,000 of fuel tax revenues have been used to fund court-related expenditures.

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- |                                   |                              |                             |   |
|-----------------------------------|------------------------------|-----------------------------|---|
| 1. <u>Less Government</u>         | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" 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 type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" 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"/> |

For any principle that received a "no" above, please explain:

B. PRESENT SITUATION:

Constitutional Fuel Tax

Legal Authority: Art. XII, s. 9(c), Florida Constitution; ss. 206.41(1)(a), 206.47, 336.023, and 336.024, F.S. The Florida Constitution provides for the levy of a 2 cents per gallon tax on motor fuel. In its current form, the tax is a revenue source for counties to meet their transportation needs.

Current law requires that the proceeds credited to each county must first be used to meet the debt service requirements, if any, of the debt assumed or refunded by the State Board of Administration payable from the tax. The remaining fuel tax funds are distributed to each county. The funds can only be used for the acquisition, construction, and maintenance of roads. Maintenance means periodic and routine maintenance, as defined in s. 334.03, F.S., and may include the construction and installation of traffic signals, sidewalks, bicycle paths, and landscaping. The funds may be used as matching funds for any federal, state, or private grant specifically related to these purposes.

Bradford County received revenues of \$438,000 in fiscal year 1997-98 from this tax.

Local Option Fuel Taxes

Legal Authority: ss. 206.41(1)(d) and (e), 206.87(1)(b) and (c), 336.021, and 336.025, F.S.

Counties are authorized to levy up to 12 cents of local option fuel taxes in the form of three separate levies. This tax was first authorized in 1972.

The first is a tax of 1 to 6 cents on every net gallon of fuel sold within a county. This tax may be authorized by an ordinance adopted by a majority vote of the governing body or voter approval in a county-wide referendum. Generally, the proceeds may be used to fund transportation expenditures.

The second tax is a 1 to 5 cents levy upon every net gallon of gasoline sold within a county. Diesel fuel is not subject to this tax. This additional tax may be levied by an ordinance adopted by a majority plus one vote of the membership of the governing body or by voter approval in a county-wide referendum. Proceeds received from this additional tax may be

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used for transportation expenditures needed to meet the requirements of the capital improvements element of an adopted local government comprehensive plan.

The third is a tax of 1 cent on every net gallon of fuel sold within a county. This tax is referred to as the Ninth-Cent Fuel Tax. The tax may be authorized by an ordinance adopted by an extraordinary vote of the governing body or voter approval in a county-wide referendum. Generally, the proceeds may be used to fund transportation expenditures.

Bradford County received revenues of \$903,000 in fiscal year 1997-98 from these taxes.

**C. EFFECT OF PROPOSED CHANGES:**

The bill authorizes Bradford County to transfer and use legally restricted fuel taxes for unrestricted purposes for all fiscal years prior to and through 1996-1997. Fuel tax revenues from these taxes have been distributed to the counties since the mid-1970's. This bill provides retroactive legislative approval of any past uses of these funds by the county.

According to the Bradford County Clerk's Office, \$975,000 of fuel tax revenues have been used to fund court-related expenditures. Details on how all fuel tax revenues have been used by Bradford County is unknown without a complete financial audit and accounting of the county's past revenues and expenditures.

**D. SECTION-BY-SECTION ANALYSIS:**

N/A

**III. NOTICE/REFERENDUM AND OTHER REQUIREMENTS:**

A. NOTICE PUBLISHED? Yes  No

IF YES, WHEN? 09/23/99

WHERE? Bradford County Telegraph, Starke, Bradford County, Florida

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:

N/A

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B. RULE-MAKING AUTHORITY:

N/A

C. OTHER COMMENTS:

N/A

V. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

VI. SIGNATURES:

COMMITTEE ON TRANSPORTATION:

Prepared by:

Staff Director:

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Phillip B. Miller

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John R. Johnston