

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 667 Local Government/Recordkeeping
SPONSOR(S): Meadows
TIED BILLS: **IDEN./SIM. BILLS:** CS/SB 262

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Local Government & Veterans' Affairs</u>	<u>18 Y, 0 N</u>	<u>Nelson</u>	<u>Highsmith-Smith</u>
2) <u>State Administration</u>	<u></u>	<u></u>	<u></u>
3) <u>Commerce & Local Affairs Appropriations</u>	<u></u>	<u></u>	<u></u>
4) <u>Appropriations</u>	<u></u>	<u></u>	<u></u>
5) <u></u>	<u></u>	<u></u>	<u></u>

SUMMARY ANALYSIS

This bill increases the monetary value of fixtures and tangible personal property that must be included in inventory by local governments, and authorizes special districts to use the surplus property alternative procedure. The bill also provides that any surplus lands acquired by the state prior to 1960 by gift or other conveyance for no consideration from a municipality shall be first offered for reconveyance at no cost to the municipality, unless otherwise provided in a deed restriction.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: h0667a.lgv.doc
DATE: March 27, 2003

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. DOES THE BILL:

- | | | | |
|--------------------------------------|------------------------------|-----------------------------|---|
| 1. Reduce government? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. Lower taxes? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. Expand individual freedom? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. Empower families? | 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. EFFECT OF PROPOSED CHANGES:

This bill amends s. 274.02, F.S., to change the meaning of the term “property” from fixtures and other tangible personal property of a nonconsumable nature the value of which is \$750 or more, to a value of \$1000 or more, and authorizes special districts to use the surplus property alternative procedure. It also amends s. 253.034, F.S., to provide that any surplus lands acquired by the state prior to 1960 by gift or other conveyance for no consideration from a municipality shall be first offered for reconveyance at no cost to the municipality, unless otherwise provided in a deed restriction

Current Law

S. 274.02, F.S., requires local governments to mark and maintain a record of their property. In addition, local governments must take an annual inventory of such property, and must inventory property whenever there is a change in the custodian of such property. “Property” is defined as “fixtures and other tangible personal property of a nonconsumable nature the value of which is \$750 or more and the normal expected life of which is one year or more.”¹

C. SECTION DIRECTORY:

Section 1: Amends s. 253.034, F.S., to provide that any surplus lands acquired by the state prior to 1960 by gift or other conveyance for no consideration from a municipality shall be first offered for reconveyance at no cost to the municipality, unless otherwise provided in a deed restriction

Section 2: Changes the meaning of the term “property” as used in s. 274.02, F.S., from fixtures and other tangible personal property of a nonconsumable nature the value of which is \$750 or more, to a value of \$1000 or more.

Section 3: Authorizes special districts to use the surplus property alternative procedure.

Section 4: Provides an effective date of July 1, 2003.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT: Not applicable.

¹ In 1996, the Legislature amended s. 274.02(2), F.S., to increase this value threshold from \$500 to \$750 (ch. 96-209, Laws of Florida). S. 273.02, F.S., referring to state-owned tangible personal property, currently provides a threshold of \$1,000.

1. Revenues:

2. Expenditures:

B. FISCAL IMPACT ON LOCAL GOVERNMENTS: Not applicable.

1. Revenues:

2. Expenditures:

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR: None.

D. FISCAL COMMENTS: Increasing the minimum value of property subject to the requirements of s. 272.02, F.S. will reduce the cost of marking, recording and accounting for the property owned by local governments.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision: Not applicable.

2. Other: Not applicable.

B. RULE-MAKING AUTHORITY: Not applicable.

C. DRAFTING ISSUES OR OTHER COMMENTS:

The Sponsor states that the bill provides for a more cost efficient way of running the government. It reduces the costs of marking and inventorying the property owned by local governments, including school boards; it reduces the personnel needed to tag hundreds of small cost items. A disproportionate number of local property items have values less than \$1,000. Consequently, a disproportionate amount of resources must be devoted to marking property under \$1,000

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

The Local Government & Veterans' Affairs Committee adopted two amendments at its meeting on March 27, 2003. The first amendment (a strike all amendment) changes the meaning of the term "property" as used in s. 274.02, F.S., from fixtures and other tangible personal property of a nonconsumable nature the value of which is \$750 or more, to a value of \$1000 or more, and amends s. 253.034, F.S., to provide that any surplus lands acquired by the state prior to 1960 by gift or other conveyance for no consideration from a municipality shall be first offered for reconveyance at no cost to the municipality, unless otherwise provided in a deed restriction. The amendment to the strike all amendment authorizes special districts to use the surplus property alternative procedure.