

By the Committees on Government Efficiency Appropriations;  
Community Affairs; and Senator Sebesta

593-2408-06

1   A bill to be entitled  
2           An act relating to discretionary sales  
3           surtaxes; amending s. 212.055, F.S. ;  
4           redesignating the charter county transit system  
5           surtax as the charter county transportation  
6           system surtax; providing that the proposal to  
7           adopt such a discretionary sales surtax and  
8           create a trust fund may be placed on the ballot  
9           pursuant to an initiative petition if the  
10          county charter so provides; providing  
11          additional purposes for which the proceeds from  
12          the surtax may be used; removing a prohibition  
13          against the issuance, by a school district,  
14          county, or municipality, of more than one bond  
15          each year pledging proceeds of certain  
16          discretionary taxes; authorizing the governing  
17          body of certain counties to levy a  
18          voter-approved indigent care surtax; providing  
19          conditions; prescribing the maximum rate of the  
20          surtax; prescribing the maximum rate of a  
21          combination of discretionary sales surtaxes;  
22          allowing counties that are not charter counties  
23          to levy, by ordinance, a county transportation  
24          system surtax; requiring that a discretionary  
25          sales surtax that is to be adopted by  
26          referendum be placed on the ballot at a time  
27          set at the discretion of the governing body of  
28          a county; requiring that the proceeds from a  
29          surtax be distributed to a county and to each  
30          municipality within the county according to an  
31          interlocal agreement or an apportionment

1 factor; providing that the proceeds from the  
2 surtax be used for certain purposes as  
3 considered appropriate by the county  
4 commission; providing an effective date.  
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6 Be It Enacted by the Legislature of the State of Florida:  
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8 Section 1. Subsection (1), paragraph (e) of subsection  
9 (2), and subsection (7) of section 212.055, Florida Statutes,  
10 are amended, and subsection (8) is added to that section, to  
11 read:

12 212.055 Discretionary sales surtaxes; legislative  
13 intent; authorization and use of proceeds.--It is the  
14 legislative intent that any authorization for imposition of a  
15 discretionary sales surtax shall be published in the Florida  
16 Statutes as a subsection of this section, irrespective of the  
17 duration of the levy. Each enactment shall specify the types  
18 of counties authorized to levy; the rate or rates which may be  
19 imposed; the maximum length of time the surtax may be imposed,  
20 if any; the procedure which must be followed to secure voter  
21 approval, if required; the purpose for which the proceeds may  
22 be expended; and such other requirements as the Legislature  
23 may provide. Taxable transactions and administrative  
24 procedures shall be as provided in s. 212.054.

25 (1) CHARTER COUNTY TRANSPORTATION ~~TRANSIT~~ SYSTEM  
26 SURTAX.--

27 (a) Each charter county which adopted a charter prior  
28 to January 1, 1984, and each county the government of which is  
29 consolidated with that of one or more municipalities, may levy  
30 a discretionary sales surtax, subject to approval by a  
31 majority vote of the electorate of the county or by a charter

1 amendment approved by a majority vote of the electorate of the  
2 county.

3 (b) The rate shall be up to 1 percent.

4 (c) The proposal to adopt a discretionary sales surtax  
5 as provided in this subsection and to create a trust fund  
6 within the county accounts shall be placed on the ballot in  
7 accordance with law at a time to be set at the discretion of  
8 the governing body or pursuant to initiative petition, if  
9 provided for in the county's charter.

10 (d) Proceeds from the surtax shall be applied to as  
11 many or as few of the uses enumerated below in whatever  
12 combination the county commission deems appropriate:

13 1. Deposited by the county in the trust fund and shall  
14 be used for the purposes of development, construction,  
15 equipment, maintenance, operation, supportive services,  
16 including a countywide bus system, and related costs of a  
17 fixed guideway rapid transit system;

18 2. Remitted by the governing body of the county to an  
19 expressway or transportation authority created by law to be  
20 used, at the discretion of such authority, for the  
21 development, construction, operation, or maintenance of roads  
22 or bridges in the county, for the operation and maintenance of  
23 a bus system, for the payment of principal and interest on  
24 existing bonds issued for the construction of such roads or  
25 bridges, and, upon approval by the county commission, such  
26 proceeds may be pledged for bonds issued to refinance existing  
27 bonds or new bonds issued for the construction of such roads  
28 or bridges;

29 3. Used by the charter county for the development,  
30 construction, operation, and maintenance of roads and bridges  
31 in the county; for the expansion, operation, and maintenance

1 of bus and fixed guideway systems; and for the payment of  
2 principal and interest on bonds issued for the construction of  
3 fixed guideway rapid transit systems, bus systems, roads, or  
4 bridges; and such proceeds may be pledged by the governing  
5 body of the county for bonds issued to refinance existing  
6 bonds or new bonds issued for the construction of such fixed  
7 guideway rapid transit systems, bus systems, roads, or bridges  
8 and no more than 25 percent used for nontransit uses; ~~and~~

9           4. Used by the charter county for the planning,  
10 development, construction, operation, and maintenance of roads  
11 and bridges in the county; for the planning, development,  
12 expansion, operation, and maintenance of bus and fixed  
13 guideway systems; and for the payment of principal and  
14 interest on bonds issued for the construction of fixed  
15 guideway rapid transit systems, bus systems, roads, or  
16 bridges; and such proceeds may be pledged by the governing  
17 body of the county for bonds issued to refinance existing  
18 bonds or new bonds issued for the construction of such fixed  
19 guideway rapid transit systems, bus systems, roads, or  
20 bridges. Pursuant to an interlocal agreement entered into  
21 pursuant to chapter 163, the governing body of the charter  
22 county may distribute proceeds from the tax to a municipality,  
23 or an expressway or transportation authority created by law to  
24 be expended for the purpose authorized by this paragraph;—

25           5. Used by the charter county to fund regionally  
26 significant transportation projects that are identified in a  
27 regional transportation plan developed in accordance with s.  
28 339.155(5) or to provide matching funds for the Transportation  
29 Regional Incentive Program in accordance with s. 339.2819 or  
30 the New Starts Transit Program, as provided in s. 341.051; and  
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1           6. Used by the charter county to fund projects  
2 identified in a capital improvements element of a  
3 comprehensive plan that has been determined to be in  
4 compliance with part II of chapter 163 or to implement a  
5 long-term concurrency management system adopted by a local  
6 government in accordance with s. 163.3177(3) or (9).

7           (2) LOCAL GOVERNMENT INFRASTRUCTURE SURTAX.--

8           (e) School districts, counties, and municipalities  
9 receiving proceeds under the provisions of this subsection may  
10 pledge such proceeds for the purpose of servicing new bond  
11 indebtedness incurred pursuant to law. Local governments may  
12 use the services of the Division of Bond Finance of the State  
13 Board of Administration pursuant to the State Bond Act to  
14 issue any bonds through the provisions of this subsection. ~~In~~  
15 ~~no case may a jurisdiction issue bonds pursuant to this~~  
16 ~~subsection more frequently than once per year.~~ Counties and  
17 municipalities may join together for the issuance of bonds  
18 authorized by this subsection.

19           (7) VOTER-APPROVED INDIGENT CARE SURTAX.--

20           (a)1. The governing body in each county that has a  
21 population of fewer than 800,000 residents may levy an  
22 indigent care surtax pursuant to an ordinance conditioned to  
23 take effect only upon approval by a majority vote of the  
24 electors of the county voting in a referendum. The surtax may  
25 be levied at a rate not to exceed 0.5 percent, except that if  
26 a publicly supported medical school is located in the county,  
27 the rate shall not exceed 1 percent.

28           2. Notwithstanding subparagraph 1., the governing body  
29 in each county that has, as of April 1, 2004, an estimated  
30 population of at least 300,000 but not more than 400,000  
31 residents and levies the local government infrastructure

1 surtax at the rate of 1 percent, pursuant to subsection (2),  
2 may levy, by ordinance subject to approval by a majority vote  
3 of the electors of the county voting in a referendum to be  
4 held November 7, 2006, an indigent care surtax at a rate that  
5 may not exceed 0.5 percent.

6 ~~3.2-~~ Notwithstanding subparagraphs 1. and 2.  
7 ~~subparagraph 1.~~, the governing body of any county that has a  
8 population of fewer than 50,000 residents may levy an indigent  
9 care surtax pursuant to an ordinance conditioned to take  
10 effect only upon approval by a majority vote of the electors  
11 of the county voting in a referendum. The surtax may be levied  
12 at a rate not to exceed 1 percent.

13 (b) A statement that includes a brief and general  
14 description of the purposes to be funded by the surtax and  
15 that conforms to the requirements of s. 101.161 shall be  
16 placed on the ballot by the governing body of the county. The  
17 following questions shall be placed on the ballot:

18  
19 FOR THE. . . .CENTS TAX  
20 AGAINST THE. . . .CENTS TAX  
21

22 (c)1. The ordinance adopted by the governing body  
23 providing for the imposition of the surtax must set forth a  
24 plan for providing health care services to qualified  
25 residents, as defined in paragraph (d). The plan and  
26 subsequent amendments to it shall fund a broad range of health  
27 care services for indigent persons and the medically poor,  
28 including, but not limited to, primary care and preventive  
29 care, as well as hospital care. It shall emphasize a  
30 continuity of care in the most cost-effective setting, taking  
31 into consideration a high quality of care and geographic

1 access. Where consistent with these objectives, it shall  
2 include, without limitation, services rendered by physicians,  
3 clinics, community hospitals, mental health centers, and  
4 alternative delivery sites, as well as at least one regional  
5 referral hospital where appropriate. It shall provide that  
6 agreements negotiated between the county and providers shall  
7 include reimbursement methodologies that take into account the  
8 cost of services rendered to eligible patients, recognize  
9 hospitals that render a disproportionate share of indigent  
10 care, provide other incentives to promote the delivery of  
11 charity care, and require cost containment, including, but not  
12 limited to, case management. The plan must also include  
13 innovative health care programs that provide cost-effective  
14 alternatives to traditional methods of service delivery and  
15 funding.

16         2. In addition to the uses specified or services  
17 required to be provided under this subsection, the ordinance  
18 adopted by a county that has a population of fewer than 50,000  
19 residents may pledge surtax proceeds to service new or  
20 existing bond indebtedness incurred to finance, plan,  
21 construct, or reconstruct a public or not-for-profit hospital  
22 in such county and any land acquisition, land improvement,  
23 design, or engineering costs related to such hospital, if the  
24 governing body of the county determines that a public or  
25 not-for-profit hospital existing at the time of issuance of  
26 the bonds authorized under this subparagraph would, more  
27 likely than not, otherwise cease to operate. The plan required  
28 under this paragraph may, by an extraordinary vote of the  
29 governing body of such county, provide that some or all of the  
30 surtax revenues and any interest earned must be expended for  
31 the purpose of servicing such bond indebtedness. Such county

1 | may also use the services of the Division of Bond Finance of  
2 | the State Board of Administration pursuant to the State Bond  
3 | Act to issue bonds under this subparagraph. A jurisdiction may  
4 | not issue bonds under this subparagraph more frequently than  
5 | once per year. Any county that has a population of fewer than  
6 | 50,000 residents at the time any bonds authorized in this  
7 | subparagraph are issued retains the authority granted under  
8 | this subparagraph throughout the terms of such bonds,  
9 | including the term of any refinancing bonds, regardless of any  
10 | subsequent increase in population which would result in such  
11 | county having 50,000 or more residents.

12 |         (d) For the purpose of this subsection, the term  
13 | "qualified residents" means residents of the authorizing  
14 | county who are:

- 15 |             1. Qualified as indigent persons as certified by the  
16 | authorizing county;
- 17 |             2. Certified by the authorizing county as meeting the  
18 | definition of the medically poor, defined as persons having  
19 | insufficient income, resources, and assets to provide the  
20 | needed medical care without using resources required to meet  
21 | basic needs for shelter, food, clothing, and personal  
22 | expenses; not being eligible for any other state or federal  
23 | program or having medical needs that are not covered by any  
24 | such program; or having insufficient third-party insurance  
25 | coverage. In all cases, the authorizing county shall serve as  
26 | the payor of last resort; or
- 27 |             3. Participating in innovative, cost-effective  
28 | programs approved by the authorizing county.

29 |         (e) Moneys collected pursuant to this subsection  
30 | remain the property of the state and shall be distributed by  
31 | the Department of Revenue on a regular and periodic basis to



1 the clerk of the circuit court as ex officio custodian of the  
2 funds of the authorizing county. The clerk of the circuit  
3 court shall:

4 1. Maintain the moneys in an indigent health care  
5 trust fund.

6 2. Invest any funds held on deposit in the trust fund  
7 pursuant to general law.

8 3. Disburse the funds, including any interest earned,  
9 to any provider of health care services, as provided in  
10 paragraphs (c) and (d), upon directive from the authorizing  
11 county.

12 4. Disburse the funds, including any interest earned,  
13 to service any bond indebtedness authorized in this subsection  
14 upon directive from the authorizing county, which directive  
15 may be irrevocably given at the time the bond indebtedness is  
16 incurred.

17 (f) Notwithstanding any other provision of this  
18 section, a county may not levy local option sales surtaxes  
19 authorized in subparagraph (a)2. ~~this subsection~~ and  
20 subsections (2) and (3) in excess of a combined rate of 1.5  
21 percent.

22 (g) Notwithstanding any other provision of this  
23 section, a county may not levy local option sales surtaxes  
24 authorized in subparagraphs (a)1. and 3. and subsections (2)  
25 and (3) in excess of a combined rate of 1 percent or, if a  
26 publicly supported medical school is located in the county or  
27 the county has a population of fewer than 50,000 residents, in  
28 excess of a combined rate of 1.5 percent.

29 (8) COUNTY TRANSPORTATION SYSTEM SURTAX.--

30 (a) The governing authority of a county that is not  
31 authorized to levy a discretionary sales surtax pursuant to

1 subsection (1) may levy a discretionary sales surtax pursuant  
2 to ordinance enacted by a majority of the members of the  
3 county governing authority and subject to approval by a  
4 majority vote of the electorate of the county.

5 (b) The rate shall be up to 1 percent.

6 (c) If the proposal to adopt a discretionary sales  
7 surtax is to be adopted by a referendum as provided in this  
8 subsection, such proposal shall be placed on the ballot in  
9 accordance with law at a time to be set at the discretion of  
10 the governing body of the county.

11 (d) Proceeds from the surtax shall be distributed to  
12 the county and to each municipality within the county in which  
13 the surtax is collected according to:

14 1. A separate interlocal agreement between the county  
15 governing body and the governing body of any municipality  
16 within the county; or

17 2. If there is no interlocal agreement between the  
18 county governing body and the governing body of any  
19 municipality within the county, an apportionment factor for  
20 each eligible local government as specified in this  
21 subparagraph.

22 a. The apportionment factor for an eligible county  
23 shall be composed of two equally weighted portions as follows:

24 (I) Each eligible county's population in the  
25 unincorporated areas of the county as a percentage of the  
26 total county population as determined pursuant to s. 186.901.

27 (II) Each eligible county's percentage of centerline  
28 miles derived from the combined total number of centerline  
29 miles owned and maintained by the county and each municipality  
30 within the county as annually reported in the City/County  
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1 Mileage Report promulgated by the Transportation Statistics  
2 Office within the Department of Transportation.

3 b. The apportionment factor for an eligible  
4 municipality shall be composed of two equally weighted  
5 portions as follows:

6 (I) Each eligible municipality's population as a  
7 percentage of the total county population as determined  
8 pursuant to s. 186.901.

9 (II) Each eligible municipality's percentage of  
10 centerline miles derived from the combined total number of  
11 centerline miles owned and maintained by the county and each  
12 municipality within the county as annually reported in the  
13 City/County Mileage Report promulgated by the Transportation  
14 Statistics Office within the Department of Transportation.

15 (e) Proceeds from the surtax shall be applied to as  
16 many or as few of the uses enumerated below in whatever  
17 combination the governing body of the municipality or the  
18 county considers appropriate:

19 1. Deposited by the governing body of the municipality  
20 or the county in the trust fund and used for the purposes of  
21 development, construction, equipment, maintenance, operation,  
22 supportive services, including a bus system, and related costs  
23 of a fixed guideway rapid transit system;

24 2. Remitted by the governing body of the municipality  
25 or the county to an expressway or transportation authority  
26 created by law to be used, at the discretion of such  
27 authority, for the development, construction, operation, or  
28 maintenance of roads, bicycle and pedestrian facilities, or  
29 bridges in the county or municipality, for the operation and  
30 maintenance of a bus system, for the payment of principal and  
31 interest on existing bonds issued for the construction of such

1 roads, bicycle or pedestrian facilities, or bridges, and, upon  
2 approval by the governing body of the municipality or county,  
3 pledged for bonds issued to refinance existing bonds or new  
4 bonds issued for the construction of such roads or bridges;

5 3. Used by the governing body of the municipality or  
6 county for the planning, development, construction, operation,  
7 and maintenance of roads, bicycle and pedestrian facilities,  
8 or bridges in the municipality or county; for the planning,  
9 development, expansion, operation, and maintenance of bus and  
10 fixed guideway systems; and for the payment of principal and  
11 interest on bonds issued for the construction of fixed  
12 guideway rapid transit systems, bus systems, roads, bicycle  
13 and pedestrian facilities, or bridges; and, upon approval by  
14 the governing body of the municipality or county, pledged by  
15 the governing body of the municipality or county for bonds  
16 issued to refinance existing bonds or new bonds issued for the  
17 construction of such fixed guideway rapid transit systems, bus  
18 systems, roads, bicycle and pedestrian facilities, or bridges;

19 4. Used by the county or municipality to fund  
20 regionally significant transportation projects that are  
21 identified in a regional transportation plan developed in  
22 accordance with s. 339.155(5) or to provide matching funds for  
23 the Transportation Regional Incentive Program in accordance  
24 with s. 339.2819 or the New Starts Transit Program as provided  
25 in s. 341.051; and

26 5. Used by the county or municipality to fund projects  
27 identified in a capital improvements element of a  
28 comprehensive plan that has been determined to be in  
29 compliance with part II of chapter 163 or to implement a  
30 long-term concurrency management system adopted by a local  
31 government in accordance with s. 163.3177(3) or (9).

1           Section 2. This act shall take effect July 1, 2006.

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3                   STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN  
4                   COMMITTEE SUBSTITUTE FOR  
5                   CS/SB 2312

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6       The committee substitute amends the Voter-Approved Indigent  
7       Care Surtax, authorizing each county that has, as of April 1,  
8       2004, an estimated population of at least 300,000 but not more  
9       than 400,000 residents and levies the local government  
10      infrastructure surtax at the rate of 1 percent to levy, by  
11      referendum to be held November 7, 2006, an indigent care  
12      surtax at the rate not to exceed 0.5 percent.

10     In addition, the bill provides that a charter county  
11     authorized to levy the Charter County Transportation System  
12     Surtax may not levy the County Transportation System Surtax.

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