2006

1	A bill to be entitled
2	An act relating to fiscally constrained counties; amending
3	s. 212.20, F.S.; providing for a distribution of tax
4	revenue to fiscally constrained counties; amending s.
5	218.65, F.S.; providing for a transitional emergency
6	distribution from the Local Government Half-cent Sales Tax
7	Clearing Trust Fund to certain fiscally constrained
8	counties; revising criteria for receiving certain funds
9	from the Local Government Half-cent Sales Tax Clearing
10	Trust Fund; creating s. 218.67, F.S.; providing
11	eligibility criteria to qualify as a fiscally constrained
12	county; providing for the distribution of additional funds
13	to certain fiscally constrained counties; providing for a
14	phaseout period; providing for the use of funds; amending
15	s. 288.0656, F.S.; authorizing the Office of Tourism,
16	Trade, and Economic Development to accept and administer
17	moneys appropriated for rural economic development;
18	authorizing the office to contract with Enterprise
19	Florida, Inc.; amending s. 288.1169, F.S.; correcting a
20	cross-reference; amending s. 985.2155, F.S.; revising the
21	definition of the term "fiscally constrained county"
22	applicable to shared county and state responsibility for
23	juvenile detention; providing an appropriation; providing
24	an effective date.
25	
26	Be It Enacted by the Legislature of the State of Florida:
27	
28	Section 1. Paragraph (d) of subsection (6) of section Page1of15

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29 212.20, Florida Statutes, is amended to read:

30 212.20 Funds collected, disposition; additional powers of 31 department; operational expense; refund of taxes adjudicated 32 unconstitutionally collected.--

33 (6) Distribution of all proceeds under this chapter and s.
34 202.18(1)(b) and (2)(b) shall be as follows:

35 (d) The proceeds of all other taxes and fees imposed 36 pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) 37 and (2)(b) shall be distributed as follows:

1. In any fiscal year, the greater of \$500 million, minus an amount equal to 4.6 percent of the proceeds of the taxes collected pursuant to chapter 201, or 5 percent of all other taxes and fees imposed pursuant to this chapter or remitted pursuant to s. 202.18(1)(b) and (2)(b) shall be deposited in monthly installments into the General Revenue Fund.

44 2. Two-tenths of one percent shall be transferred to the
45 Ecosystem Management and Restoration Trust Fund to be used for
46 water quality improvement and water restoration projects.

47 3. After the distribution under subparagraphs 1. and 2., 48 8.814 percent of the amount remitted by a sales tax dealer 49 located within a participating county pursuant to s. 218.61 50 shall be transferred into the Local Government Half-cent Sales Tax Clearing Trust Fund. Beginning July 1, 2003, the amount to 51 52 be transferred pursuant to this subparagraph to the Local Government Half-cent Sales Tax Clearing Trust Fund shall be 53 54 reduced by 0.1 percent, and the department shall distribute this 55 amount to the Public Employees Relations Commission Trust Fund 56 less \$5,000 each month, which shall be added to the amount Page 2 of 15

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57 calculated in subparagraph 4. and distributed accordingly.

4. After the distribution under subparagraphs 1., 2., and 3., 0.095 percent <u>of the available proceeds</u> shall be transferred to the Local Government Half-cent Sales Tax Clearing Trust Fund and distributed pursuant to s. 218.65.

5. After the distributions under subparagraphs 1., 2., 3.,
and 4., 2.0440 percent of the available proceeds pursuant to
this paragraph shall be transferred monthly to the Revenue
Sharing Trust Fund for Counties pursuant to s. 218.215.

66 6. After the distributions under subparagraphs 1., 2., 3., and 4., 1.3409 percent of the available proceeds pursuant to 67 this paragraph shall be transferred monthly to the Revenue 68 Sharing Trust Fund for Municipalities pursuant to s. 218.215. If 69 70 the total revenue to be distributed pursuant to this 71 subparagraph is at least as great as the amount due from the 72 Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 73 1999-2000, no municipality shall receive less than the amount 74 75 due from the Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state 76 77 fiscal year 1999-2000. If the total proceeds to be distributed 78 are less than the amount received in combination from the 79 Revenue Sharing Trust Fund for Municipalities and the former Municipal Financial Assistance Trust Fund in state fiscal year 80 1999-2000, each municipality shall receive an amount 81 82 proportionate to the amount it was due in state fiscal year 83 1999-2000.

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7. After the distributions under subparagraphs 1., 2., 3., Page 3 of 15

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and 4., 0.082 percent of the available proceeds shall be transferred to the Local Government Half-cent Sales Tax Clearing Trust Fund and distributed pursuant to s. 218.67.

<u>8.7.</u> Of the remaining proceeds:

89 In each fiscal year, the sum of \$29,915,500 shall be а. 90 divided into as many equal parts as there are counties in the 91 state, and one part shall be distributed to each county. The 92 distribution among the several counties shall begin each fiscal 93 year on or before January 5th and shall continue monthly for a 94 total of 4 months. If a local or special law required that any moneys accruing to a county in fiscal year 1999-2000 under the 95 then-existing provisions of s. 550.135 be paid directly to the 96 district school board, special district, or a municipal 97 government, such payment shall continue until such time that the 98 99 local or special law is amended or repealed. The state covenants 100 with holders of bonds or other instruments of indebtedness issued by local governments, special districts, or district 101 school boards prior to July 1, 2000, that it is not the intent 102 103 of this subparagraph to adversely affect the rights of those 104 holders or relieve local governments, special districts, or 105 district school boards of the duty to meet their obligations as a result of previous pledges or assignments or trusts entered 106 into which obligated funds received from the distribution to 107 108 county governments under then-existing s. 550.135. This distribution specifically is in lieu of funds distributed under 109 s. 550.135 prior to July 1, 2000. 110

b. The department shall distribute \$166,667 monthly pursuant to s. 288.1162 to each applicant that has been Page 4 of 15

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113 certified as a "facility for a new professional sports 114 franchise" or a "facility for a retained professional sports 115 franchise" pursuant to s. 288.1162. Up to \$41,667 shall be 116 distributed monthly by the department to each applicant that has 117 been certified as a "facility for a retained spring training franchise" pursuant to s. 288.1162; however, not more than 118 119 \$208,335 may be distributed monthly in the aggregate to all 120 certified facilities for a retained spring training franchise. 121 Distributions shall begin 60 days following such certification 122 and shall continue for not more than 30 years. Nothing contained in this paragraph shall be construed to allow an applicant 123 certified pursuant to s. 288.1162 to receive more in 124 distributions than actually expended by the applicant for the 125 126 public purposes provided for in s. 288.1162(6). However, a 127 certified applicant is entitled to receive distributions up to 128 the maximum amount allowable and undistributed under this section for additional renovations and improvements to the 129 facility for the franchise without additional certification. 130

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

d. Beginning 30 days after notice by the Office of
Tourism, Trade, and Economic Development to the Department of
Revenue that the applicant has been certified as the
International Game Fish Association World Center facility
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pursuant to s. 288.1169, and the facility is open to the public, 141 142 \$83,333 shall be distributed monthly, for up to 168 months, to 143 the applicant. This distribution is subject to reduction 144 pursuant to s. 288.1169. A lump sum payment of \$999,996 shall be 145 made, after certification and before July 1, 2000. 146 9.8. All other proceeds shall remain with the General 147 Revenue Fund. Section 2. 148 Section 218.65, Florida Statutes, is amended to 149 read: 150 218.65 Emergency distribution.--151 (1) Each county government which meets the provisions of subsection (2) or subsection (8)(7) and which participates in 152 the local government half-cent sales tax shall receive a 153 154 distribution from the Local Government Half-cent Sales Tax 155 Clearing Trust Fund in addition to its regular monthly 156 distribution as provided in this part. 157 The Legislature hereby finds and declares that a (2) fiscal emergency exists in any county which meets the following 158 159 criteria specified in paragraph (a), if applicable, and the criterion specified in paragraph (b): 160 161 If The county has a population of 65,000 or less; and (a) 162 above: 163 1. In any year from 1977 to 1981, inclusive, the value of net new construction and additions placed on the tax roll for 164 165 that year was less than 2 percent of the taxable value for school purposes on the roll for that year, exclusive of such net 166 167 value; or 2. The percentage increase in county taxable value from 168 Page 6 of 15

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169 1979 to 1980, 1980 to 1981, or 1981 to 1982 was less than 3 170 percent.

(b) The moneys distributed to the county government pursuant to s. 218.62 for the prior fiscal year were less than the current per capita limitation, based on the population of that county.

(3) Qualification under this section shall be determined annually at the start of the fiscal year. Emergency and supplemental moneys shall be distributed monthly with other moneys provided pursuant to this part.

(4) For the fiscal year beginning in 1988, the per capita 179 limitation shall be \$24.60. Thereafter, commencing with the 180 fiscal year which begins in 1989, this limitation shall be 181 182 adjusted annually for inflation. The annual adjustment to the 183 per capita limitation for each fiscal period shall be the 184 percentage change in the state and local government price 185 deflator for purchases of goods and services, all items, 1983 186 equals 100, or successor reports for the preceding calendar year 187 as initially reported by the United States Department of Commerce, Bureau of Economic Analysis, as certified by the 188 189 Florida Consensus Estimating Conference.

At the beginning of each fiscal year, the Department 190 (5) of Revenue shall calculate a base allocation for each eligible 191 192 county equal to the difference between the current per capita 193 limitation times the county's population, minus prior year 194 ordinary distributions to the county pursuant to ss. 195 212.20(6)(d)3., 218.61, and 218.62. If moneys deposited into the 196 Local Government Half-cent Sales Tax Clearing Trust Fund Page 7 of 15

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197 pursuant to s. 212.20(6)(d)4., excluding moneys appropriated for 198 supplemental distributions pursuant to subsection $(8)\frac{(7)}{(7)}$, for 199 the current year are less than or equal to the sum of the base 200 allocations, each eligible county shall receive a share of the 201 appropriated amount proportional to its base allocation. If the 202 deposited amount exceeds the sum of the base allocations, each 203 county shall receive its base allocation, and the excess 204 appropriated amount, less any amounts distributed under 205 subsection (6), shall be distributed equally on a per capita 206 basis among the eligible counties.

207 If moneys deposited in the Local Government Half-cent (6) Sales Tax Clearing Trust Fund pursuant to s. 212.20(6)(d)4. 208 209 exceed the amount necessary to provide the base allocation to 210 each eligible county, the moneys in the trust fund may be used to provide a transitional distribution, as specified in this 211 212 subsection, to certain counties whose population has increased. 213 The transitional distribution shall be made available to each 214 county that qualified for a distribution under subsection (2) in 215 the prior year but does not, because of the requirements of 216 paragraph (2)(a), qualify for a distribution in the current 217 year. Beginning on July 1 of the year following the year in 218 which the county no longer qualifies for a distribution under 219 subsection (2), the county shall receive two-thirds of the amount received in the prior year, and beginning July 1 of the 220 second year following the year in which the county no longer 221 222 qualifies for a distribution under subsection (2), the county 223 shall receive one-third of the amount it received in the last 224 year it qualified for the distribution under subsection (2). If

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225 insufficient moneys are available in the Local Government Half-226 cent Sales Tax Clearing Trust Fund to fully provide such a 227 transitional distribution to each county that meets the 228 eligibility criteria in this section, each eligible county shall 229 receive a share of the available moneys proportional to the 230 amount it would have received had moneys been sufficient to 231 fully provide such a transitional distribution to each eligible 232 county.

233 (7)(6) There is hereby annually appropriated from the 234 Local Government Half-cent Sales Tax Clearing Trust Fund the 235 distribution provided in s. 212.20(6)(d)4. to be used for 236 emergency and supplemental distributions pursuant to this 237 section.

238 (8) (7) (a) Any county the inmate population of which in any 239 year is greater than 7 percent of the total population of the 240 county is eligible for a supplemental distribution for that year 241 from funds expressly appropriated therefor. At the beginning of each fiscal year, the Department of Revenue shall calculate a 242 243 supplemental allocation for each eligible county equal to the 244 current per capita limitation pursuant to subsection (4) times 245 the inmate population of the county. If moneys appropriated for distribution pursuant to this section for the current year are 246 less than the sum of supplemental allocations, each eligible 247 248 county shall receive a share of the appropriated amount 249 proportional to its supplemental allocation. Otherwise, each 250 shall receive an amount equal to its supplemental allocation. 251

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(b) For the purposes of this subsection, the term:1. "Inmate population" means the latest official state Page 9 of 15

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253 estimate of the number of inmates and patients residing in 254 institutions operated by the Federal Government, the Department 255 of Corrections, or the Department of Children and Family 256 Services.

257 2. "Total population" includes inmate population and 258 noninmate population.

259 Section 3. Section 218.67, Florida Statutes, is created to 260 read:

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218.67 Distribution for fiscally constrained counties.--(1) Each county for which the value of a mill will raise 262 no more than \$4 million in revenue, based on the property 263 valuations and tax data annually published by the Department of 264 Revenue under s. 195.052, shall be considered a fiscally 265 266 constrained county.

267 (2) Each fiscally constrained county government that 268 participates in the local government half-cent sales tax shall 269 be eligible to receive an additional distribution from the Local 270 Government Half-cent Sales Tax Clearing Trust Fund, as provided 271 in s. 212.20, in addition to its regular monthly distribution 272 provided under this part and any emergency or supplemental 273 distribution under s. 218.65.

274 (3) The amount to be distributed to each fiscally 275 constrained county shall be determined by the Department of 276 Revenue at the beginning of the fiscal year, using the prior 277 fiscal year property valuations, tax data, and population 278 estimates and the millage rate levied for the prior fiscal year. 279 The amount distributed shall be allocated based upon the 280 following factors:

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281	(a) The relative revenue-raising-capacity factor shall be
282	the ability of the eligible county to generate ad valorem
283	revenues from 1 mill of taxation on a per capita basis. A county
284	that raises no more than \$25 per capita from 1 mill shall be
285	assigned a value of 1; a county that raises more than \$25 but no
286	more than \$30 per capita from 1 mill shall be assigned a value
287	of 0.75; and a county that raises more than \$30 but no more than
288	\$50 per capita from 1 mill shall be assigned a value of 0.5. No
289	value shall be assigned to counties that raise more than \$50 per
290	capita from 1 mill of ad valorem taxation.
291	(b) The local-effort factor shall be a measure of the
292	relative level of local effort of the eligible county as
293	indicated by the millage rate levied for the prior fiscal year.
294	The local-effort factor shall be the most recently adopted
295	countywide operating millage rate for each eligible county
296	multiplied by 0.1.
297	(c) Each eligible county's proportional allocation of the
298	total amount available to be distributed to all of the eligible
298	counties shall be in the same proportion as the sum of the
300	county's two factors is to the sum of the two factors for all
300	
	eligible counties. The counties that are eligible to receive an
302	allocation under this subsection and the amount available to be
303	distributed to such counties shall not include counties
304	participating in the phaseout period under subsection (4) or the
305	amounts they remain eligible to receive during the phaseout.
306	(4) For those counties that no longer qualify under the
307	requirements of subsection (1) after the effective date of this
308	act, there shall be a 2-year phaseout period. Beginning on July
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309	1 of the year following the year in which the value of a mill
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311	for that county exceeds \$4 million in revenue, the county shall
	receive two-thirds of the amount received in the prior year, and
312	beginning on July 1 of the second year following the year in
313	which the value of a mill for that county exceeds \$4 million in
314	revenue, the county shall receive one-third of the amount
315	received in the last year that the county qualified as a
316	fiscally constrained county. Following the 2-year phaseout
317	period, the county shall no longer be eligible to receive any
318	distributions under this section unless the county can be
319	considered a fiscally constrained county as provided in
320	subsection (1).
321	(5) The revenues received under this section may be used
322	by a county for any public purpose, except that such revenues
323	may not be used to pay debt service on bonds, notes,
324	certificates of participation, or any other forms of
325	indebtedness.
326	Section 4. Subsection (7) of section 288.0656, Florida
327	Statutes, is amended to read:
328	288.0656 Rural Economic Development Initiative
329	(7) REDI may recommend to the Governor up to three rural
330	areas of critical economic concern.
331	(a) A rural area of critical economic concern must be a
332	rural community, or a region composed of such, that has been
333	adversely affected by an extraordinary economic event or a
334	natural disaster or that presents a unique economic development
335	opportunity of regional impact that will create more than 1,000
336	jobs over a 5-year period. The Governor may by executive order
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337 designate up to three rural areas of critical economic concern 338 which will establish these areas as priority assignments for 339 REDI as well as to allow the Governor, acting through REDI, to 340 waive criteria, requirements, or similar provisions of any 341 economic development incentive. Such incentives shall include, 342 but not be limited to: the Qualified Target Industry Tax Refund 343 Program under s. 288.106, the Quick Response Training Program 344 under s. 288.047, the Quick Response Training Program for 345 participants in the welfare transition program under s. 346 288.047(8), transportation projects under s. 288.063, the brownfield redevelopment bonus refund under s. 288.107, and the 347 rural job tax credit program under ss. 212.098 and 220.1895. 348 Designation as a rural area of critical economic concern under 349 350 this subsection shall be contingent upon the execution of a 351 memorandum of agreement among the Office of Tourism, Trade, and 352 Economic Development; the governing body of the county; and the 353 governing bodies of any municipalities to be included within a 354 rural area of critical economic concern. Such agreement shall 355 specify the terms and conditions of the designation, including, 356 but not limited to, the duties and responsibilities of the 357 county and any participating municipalities to take actions 358 designed to facilitate the retention and expansion of existing 359 businesses in the area, as well as the recruitment of new 360 businesses to the area. 361 (b) The Office of Tourism, Trade, and Economic Development 362 may accept and administer moneys appropriated to the office to

363 <u>support the implementation of the rural priority recommendation</u>

364 within the statewide strategic economic development plan as

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365 provided in s. 288.905, including the development of significant 366 regional economic development projects in each of the designated 367 rural areas of critical economic concern. The office may 368 contract with Enterprise Florida, Inc., to develop regional 369 project implementation plan components to include, but not be 370 limited to, the identification of potential sites, direct 371 marketing campaigns within the industry clusters for each area, identification of costs and barriers related to site preparation 372 373 including permitting and infrastructure availability, 374 development of memoranda of agreement and interlocal agreements 375 with participating property owners and units of local government 376 within each area regarding the parameters of project 377 participation, and the development of incidental marketing 378 support materials and expenses. The office may approve the 379 expenditure of funds under this paragraph only to the extent 380 that funds are appropriated for such purpose by the Legislature. Section 5. Subsection (6) of section 288.1169, Florida 381 382 Statutes, is amended to read: 383 288.1169 International Game Fish Association World Center 384 facility.--385 The Department of Commerce must recertify every 10 (6) years that the facility is open, that the International Game 386 387 Fish Association World Center continues to be the only 388 international administrative headquarters, fishing museum, and 389 Hall of Fame in the United States recognized by the International Game Fish Association, and that the project is 390 391 meeting the minimum projections for attendance or sales tax 392 revenues as required at the time of original certification. If Page 14 of 15

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the facility is not recertified during this 10-year review as 393 394 meeting the minimum projections, then funding will be abated 395 until certification criteria are met. If the project fails to 396 generate \$1 million of annual revenues pursuant to paragraph 397 (2)(e), the distribution of revenues pursuant to s. 398 212.20(6)(d)8.d. $\frac{212.20(6)(d)7.d.}{212.20(6)(d)7.d.}$ shall be reduced to an amount 399 equal to \$83,333 multiplied by a fraction, the numerator of 400 which is the actual revenues generated and the denominator of 401 which is \$1 million. Such reduction shall remain in effect until 402 revenues generated by the project in a 12-month period equal or exceed \$1 million. 403 404 Section 6. Paragraph (b) of subsection (2) of section 985.2155, Florida Statutes, is amended to read: 405 406 985.2155 Shared county and state responsibility for juvenile detention .--407 408 (2) As used in this section, the term: "Fiscally constrained county" means a county 409 (b) designated as a rural area of critical economic concern under 410 288.0656 for which the value of a mill in the county is no more 411 412 than 4 ± 3 million, based on the property valuations and tax 413 data annually published by the Department of Revenue under s. 414 195.052. 415 Section 7. There is hereby appropriated the sum of \$2 416 million from the General Revenue Fund for the 2006-2007 fiscal 417 year to the Office of Tourism, Trade, and Economic Development 418 for the implementation of the rural priority recommendation within the statewide strategic economic development plan. 419 420 Section 8. This act shall take effect July 1, 2006. Page 15 of 15

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