

CHAMBER ACTION

1 The Fiscal Council recommends the following:

2 **Council/Committee Substitute**

3 Remove the entire bill and insert:

4 A bill to be entitled

5 An act relating to fiscally constrained counties; amending
 6 s. 212.20, F.S.; providing for a distribution of tax
 7 revenue to fiscally constrained counties; amending s.
 8 218.65, F.S.; providing for a transitional emergency
 9 distribution from the Local Government Half-cent Sales Tax
 10 Clearing Trust Fund to certain fiscally constrained
 11 counties; revising criteria for receiving certain funds
 12 from the Local Government Half-cent Sales Tax Clearing
 13 Trust Fund; creating s. 218.67, F.S.; providing
 14 eligibility criteria to qualify as a fiscally constrained
 15 county; providing for the distribution of additional funds
 16 to certain fiscally constrained counties; providing for a
 17 phaseout period; providing for the use of funds; amending
 18 s. 288.1169, F.S.; correcting a cross-reference; amending
 19 s. 985.2155, F.S.; revising the definition of the term
 20 "fiscally constrained county" applicable to shared county
 21 and state responsibility for juvenile detention; providing
 22 an effective date.

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24 Be It Enacted by the Legislature of the State of Florida:

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Section 1. Paragraph (d) of subsection (6) of section 212.20, Florida Statutes, is amended to read:

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

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

(d) The proceeds 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 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.

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

3. After the distribution under subparagraphs 1. and 2., 8.814 percent of the amount remitted by a sales tax dealer located within a participating county pursuant to s. 218.61 shall be transferred into the Local Government Half-cent Sales Tax Clearing Trust Fund. Beginning July 1, 2003, the amount to be transferred pursuant to this subparagraph to the Local Government Half-cent Sales Tax Clearing Trust Fund shall be

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52 reduced by 0.1 percent, and the department shall distribute this
53 amount to the Public Employees Relations Commission Trust Fund
54 less \$5,000 each month, which shall be added to the amount
55 calculated in subparagraph 4. and distributed accordingly.

56 4. After the distribution under subparagraphs 1., 2., and
57 3., 0.095 percent of the available proceeds shall be transferred
58 to the Local Government Half-cent Sales Tax Clearing Trust Fund
59 and distributed pursuant to s. 218.65.

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

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

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80 proportionate to the amount it was due in state fiscal year
81 1999-2000.

82 7. After the distributions under subparagraphs 1., 2., 3.,
83 and 4., 0.082 percent of the available proceeds shall be
84 transferred to the Local Government Half-cent Sales Tax Clearing
85 Trust Fund and distributed pursuant to s. 218.67.

86 8.7. Of the remaining proceeds:

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

107 distribution specifically is in lieu of funds distributed under
108 s. 550.135 prior to July 1, 2000.

109 b. The department shall distribute \$166,667 monthly
110 pursuant to s. 288.1162 to each applicant that has been
111 certified as a "facility for a new professional sports
112 franchise" or a "facility for a retained professional sports
113 franchise" pursuant to s. 288.1162. Up to \$41,667 shall be
114 distributed monthly by the department to each applicant that has
115 been certified as a "facility for a retained spring training
116 franchise" pursuant to s. 288.1162; however, not more than
117 \$208,335 may be distributed monthly in the aggregate to all
118 certified facilities for a retained spring training franchise.
119 Distributions shall begin 60 days following such certification
120 and shall continue for not more than 30 years. Nothing contained
121 in this paragraph shall be construed to allow an applicant
122 certified pursuant to s. 288.1162 to receive more in
123 distributions than actually expended by the applicant for the
124 public purposes provided for in s. 288.1162(6). However, a
125 certified applicant is entitled to receive distributions up to
126 the maximum amount allowable and undistributed under this
127 section for additional renovations and improvements to the
128 facility for the franchise without additional certification.

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

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135 d. Beginning 30 days after notice by the Office of
 136 Tourism, Trade, and Economic Development to the Department of
 137 Revenue that the applicant has been certified as the
 138 International Game Fish Association World Center facility
 139 pursuant to s. 288.1169, and the facility is open to the public,
 140 \$83,333 shall be distributed monthly, for up to 168 months, to
 141 the applicant. This distribution is subject to reduction
 142 pursuant to s. 288.1169. ~~A lump sum payment of \$999,996 shall be~~
 143 ~~made, after certification and before July 1, 2000.~~

144 ~~9.8.~~ All other proceeds shall remain with the General
 145 Revenue Fund.

146 Section 2. Section 218.65, Florida Statutes, is amended to
 147 read:

148 218.65 Emergency distribution.--

149 (1) Each county government which meets the provisions of
 150 subsection (2) or subsection (8) ~~(7)~~ and which participates in
 151 the local government half-cent sales tax shall receive a
 152 distribution from the Local Government Half-cent Sales Tax
 153 Clearing Trust Fund in addition to its regular monthly
 154 distribution as provided in this part.

155 (2) The Legislature hereby finds and declares that a
 156 fiscal emergency exists in any county which meets the following
 157 ~~criteria specified in paragraph (a), if applicable, and the~~
 158 ~~riterion specified in paragraph (b):~~

159 (a) ~~If~~ The county has a population of 65,000 or less; and
 160 ~~above:~~

161 ~~1. In any year from 1977 to 1981, inclusive, the value of~~
 162 ~~net new construction and additions placed on the tax roll for~~

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163 ~~that year was less than 2 percent of the taxable value for~~
164 ~~school purposes on the roll for that year, exclusive of such net~~
165 ~~value; or~~

166 ~~2. The percentage increase in county taxable value from~~
167 ~~1979 to 1980, 1980 to 1981, or 1981 to 1982 was less than 3~~
168 ~~percent.~~

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

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

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

188 (5) At the beginning of each fiscal year, the Department
189 of Revenue shall calculate a base allocation for each eligible
190 county equal to the difference between the current per capita

191 limitation times the county's population, minus prior year
 192 ordinary distributions to the county pursuant to ss.
 193 212.20(6)(d)3., 218.61, and 218.62. If moneys deposited into the
 194 Local Government Half-cent Sales Tax Clearing Trust Fund
 195 pursuant to s. 212.20(6)(d)4., excluding moneys appropriated for
 196 supplemental distributions pursuant to subsection (8) ~~(7)~~, for
 197 the current year are less than or equal to the sum of the base
 198 allocations, each eligible county shall receive a share of the
 199 appropriated amount proportional to its base allocation. If the
 200 deposited amount exceeds the sum of the base allocations, each
 201 county shall receive its base allocation, and the excess
 202 appropriated amount, less any amounts distributed under
 203 subsection (6), shall be distributed equally on a per capita
 204 basis among the eligible counties.

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

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219 second year following the year in which the county no longer
220 qualifies for a distribution under subsection (2), the county
221 shall receive one-third of the amount it received in the last
222 year it qualified for the distribution under subsection (2). If
223 insufficient moneys are available in the Local Government Half-
224 cent Sales Tax Clearing Trust Fund to fully provide such a
225 transitional distribution to each county that meets the
226 eligibility criteria in this section, each eligible county shall
227 receive a share of the available moneys proportional to the
228 amount it would have received had moneys been sufficient to
229 fully provide such a transitional distribution to each eligible
230 county.

231 (7)~~(6)~~ There is hereby annually appropriated from the
232 Local Government Half-cent Sales Tax Clearing Trust Fund the
233 distribution provided in s. 212.20(6)(d)4. to be used for
234 emergency and supplemental distributions pursuant to this
235 section.

236 (8)~~(7)~~(a) Any county the inmate population of which in any
237 year is greater than 7 percent of the total population of the
238 county is eligible for a supplemental distribution for that year
239 from funds expressly appropriated therefor. At the beginning of
240 each fiscal year, the Department of Revenue shall calculate a
241 supplemental allocation for each eligible county equal to the
242 current per capita limitation pursuant to subsection (4) times
243 the inmate population of the county. If moneys appropriated for
244 distribution pursuant to this section for the current year are
245 less than the sum of supplemental allocations, each eligible
246 county shall receive a share of the appropriated amount

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247 | proportional to its supplemental allocation. Otherwise, each
248 | shall receive an amount equal to its supplemental allocation.

249 | (b) For the purposes of this subsection, the term:

250 | 1. "Inmate population" means the latest official state
251 | estimate of the number of inmates and patients residing in
252 | institutions operated by the Federal Government, the Department
253 | of Corrections, or the Department of Children and Family
254 | Services.

255 | 2. "Total population" includes inmate population and
256 | noninmate population.

257 | Section 3. Section 218.67, Florida Statutes, is created to
258 | read:

259 | 218.67 Distribution for fiscally constrained counties.--

260 | (1) Each county that is within a rural area of critical
261 | economic concern as designated by the Governor pursuant to s.
262 | 288.0656 or each county for which the value of a mill will raise
263 | no more than \$5 million in revenue, based on the certified
264 | school taxable value from the previous July 1, shall be
265 | considered a fiscally constrained county.

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

273 | (3) The amount to be distributed to each fiscally
274 | constrained county shall be determined by the Department of

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275 Revenue at the beginning of the fiscal year, using the prior
276 fiscal year's July 1 certified school taxable value, tax data,
277 and population as defined in s. 218.21, and the millage rate
278 levied for the prior fiscal year. The amount distributed shall
279 be allocated based upon the following factors:

280 (a) The relative revenue-raising-capacity factor shall be
281 the ability of the eligible county to generate ad valorem
282 revenues from 1 mill of taxation on a per capita basis. A county
283 that raises no more than \$25 per capita from 1 mill shall be
284 assigned a value of 1; a county that raises more than \$25 but no
285 more than \$30 per capita from 1 mill shall be assigned a value
286 of 0.75; and a county that raises more than \$30 but no more than
287 \$50 per capita from 1 mill shall be assigned a value of 0.5. No
288 value shall be assigned to counties that raise more than \$50 per
289 capita from 1 mill of ad valorem taxation.

290 (b) The local-effort factor shall be a measure of the
291 relative level of local effort of the eligible county as
292 indicated by the millage rate levied for the prior fiscal year.
293 The local-effort factor shall be the most recently adopted
294 countywide operating millage rate for each eligible county
295 multiplied by 0.1.

296 (c) Each eligible county's proportional allocation of the
297 total amount available to be distributed to all of the eligible
298 counties shall be in the same proportion as the sum of the
299 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
301 allocation under this subsection and the amount available to be
302 distributed to such counties shall not include counties

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303 participating in the phaseout period under subsection (4) or the
304 amounts they remain eligible to receive during the phaseout.

305 (4) For those counties that no longer qualify under the
306 requirements of subsection (1) after the effective date of this
307 act, there shall be a 2-year phaseout period. Beginning on July
308 1 of the year following the year in which the value of a mill
309 for that county exceeds \$5 million in revenue, the county shall
310 receive two-thirds of the amount received in the prior year, and
311 beginning on July 1 of the second year following the year in
312 which the value of a mill for that county exceeds \$5 million in
313 revenue, the county shall receive one-third of the amount
314 received in the last year that the county qualified as a
315 fiscally constrained county. Following the 2-year phaseout
316 period, the county shall no longer be eligible to receive any
317 distributions under this section unless the county can be
318 considered a fiscally constrained county as provided in
319 subsection (1).

320 (5) The revenues received under this section may be used
321 by a county for any public purpose, except that such revenues
322 may not be used to pay debt service on bonds, notes,
323 certificates of participation, or any other forms of
324 indebtedness.

325 Section 4. Subsection (6) of section 288.1169, Florida
326 Statutes, is amended to read:

327 288.1169 International Game Fish Association World Center
328 facility.--

329 (6) The Department of Commerce must recertify every 10
330 years that the facility is open, that the International Game

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331 Fish Association World Center continues to be the only
 332 international administrative headquarters, fishing museum, and
 333 Hall of Fame in the United States recognized by the
 334 International Game Fish Association, and that the project is
 335 meeting the minimum projections for attendance or sales tax
 336 revenues as required at the time of original certification. If
 337 the facility is not recertified during this 10-year review as
 338 meeting the minimum projections, then funding will be abated
 339 until certification criteria are met. If the project fails to
 340 generate \$1 million of annual revenues pursuant to paragraph
 341 (2) (e), the distribution of revenues pursuant to s.
 342 212.20(6)(d)8.d. ~~212.20(6)(d)7.d.~~ shall be reduced to an amount
 343 equal to \$83,333 multiplied by a fraction, the numerator of
 344 which is the actual revenues generated and the denominator of
 345 which is \$1 million. Such reduction shall remain in effect until
 346 revenues generated by the project in a 12-month period equal or
 347 exceed \$1 million.

348 Section 5. Paragraph (b) of subsection (2) of section
 349 985.2155, Florida Statutes, is amended to read:

350 985.2155 Shared county and state responsibility for
 351 juvenile detention.--

352 (2) As used in this section, the term:

353 (b) "Fiscally constrained county" means a county
 354 ~~designated as a rural area of critical economic concern under s.~~
 355 ~~288.0656~~ for which the value of a mill in the county is no more
 356 than \$5 ~~\$3~~ million, based on the property valuations and tax
 357 data annually published by the Department of Revenue under s.
 358 195.052.

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Section 6. This act shall take effect July 1, 2006.