

CHAMBER ACTION

1 The Local Government Council recommends the following:

2  
3 **Council/Committee Substitute**

4 Remove the entire bill and insert:

5 A bill to be entitled

6 An act relating to the local government infrastructure  
7 surtax; amending s. 212.055, F.S.; requiring a ballot  
8 summary to disclose certain fiscal information under  
9 certain circumstances; limiting a prohibition against  
10 using surtax proceeds for infrastructure operating  
11 expenses to a certain percentage of the proceeds;  
12 authorizing the use of a portion of surtax revenues to  
13 supplant or replace certain revenue sources and related  
14 debt or make certain land purchases under certain  
15 circumstances; requiring a corresponding reduction in  
16 property taxes under certain circumstances; providing an  
17 effective date.

18  
19 Be It Enacted by the Legislature of the State of Florida:

20  
21 Section 1. Paragraphs (b) and (d) of subsection (2) of  
22 section 212.055, Florida Statutes, are amended, and paragraph  
23 (i) is added to that subsection, to read:

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24           212.055 Discretionary sales surtaxes; legislative intent;  
25 authorization and use of proceeds.--It is the legislative intent  
26 that any authorization for imposition of a discretionary sales  
27 surtax shall be published in the Florida Statutes as a  
28 subsection of this section, irrespective of the duration of the  
29 levy. Each enactment shall specify the types of counties  
30 authorized to levy; the rate or rates which may be imposed; the  
31 maximum length of time the surtax may be imposed, if any; the  
32 procedure which must be followed to secure voter approval, if  
33 required; the purpose for which the proceeds may be expended;  
34 and such other requirements as the Legislature may provide.  
35 Taxable transactions and administrative procedures shall be as  
36 provided in s. 212.054.

37           (2) LOCAL GOVERNMENT INFRASTRUCTURE SURTAX.--

38           (b) A statement which includes a brief general description  
39 of the projects to be funded by the surtax and which conforms to  
40 the requirements of s. 101.161 shall be placed on the ballot by  
41 the governing authority of any county which enacts an ordinance  
42 calling for a referendum on the levy of the surtax or in which  
43 the governing bodies of the municipalities representing a  
44 majority of the county's population adopt uniform resolutions  
45 calling for a referendum on the surtax. If, in addition to the  
46 other uses authorized for the surtax, a county, municipality, or  
47 school district proposes to use surtax proceeds to replace or  
48 supplant existing ad valorem taxes or existing user fees as  
49 provided in paragraph (i) or to fund operating expenses of  
50 infrastructure as provided in subparagraph (d)1., or both, the  
51 ballot summary shall also provide an estimate of the amount of

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52 | the reduction in ad valorem taxes or user fees or the amount of  
 53 | infrastructure operating expenses. The following question shall  
 54 | be placed on the ballot:  
 55 |

56 | \_\_\_\_\_ FOR the \_\_\_\_\_-cent sales tax

57 | \_\_\_\_\_ AGAINST the \_\_\_\_\_-cent sales tax

58 | (d)1. The proceeds of the surtax authorized by this  
 59 | subsection and any interest accrued thereto shall be expended by  
 60 | the school district or within the county and municipalities  
 61 | within the county, or, in the case of a negotiated joint county  
 62 | agreement, within another county, to finance, plan, and  
 63 | construct infrastructure and to acquire land for public  
 64 | recreation or conservation or protection of natural resources  
 65 | and to finance the closure of county-owned or municipally owned  
 66 | solid waste landfills that are already closed or are required to  
 67 | close by order of the Department of Environmental Protection.  
 68 | Any use of such proceeds or interest for purposes of landfill  
 69 | closure prior to July 1, 1993, is ratified. Neither the proceeds  
 70 | nor any interest accrued thereto in excess of 10 percent of the  
 71 | proceeds shall be used for operational expenses of any  
 72 | infrastructure, except that any county with a population of less  
 73 | than 75,000 that is required to close a landfill by order of the  
 74 | Department of Environmental Protection may use the proceeds or  
 75 | any interest accrued thereto for long-term maintenance costs  
 76 | associated with landfill closure. Counties, as defined in s.  
 77 | 125.011(1), and charter counties may, in addition, use the

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78 | proceeds and any interest accrued thereto to retire or service  
79 | indebtedness incurred for bonds issued prior to July 1, 1987,  
80 | for infrastructure purposes, and for bonds subsequently issued  
81 | to refund such bonds. Any use of such proceeds or interest for  
82 | purposes of retiring or servicing indebtedness incurred for such  
83 | refunding bonds prior to July 1, 1999, is ratified.

84 |       2. For the purposes of this paragraph, "infrastructure"  
85 | means:

86 |       a. Any fixed capital expenditure or fixed capital outlay  
87 | associated with the construction, reconstruction, or improvement  
88 | of public facilities which have a life expectancy of 5 or more  
89 | years and any land acquisition, land improvement, design, and  
90 | engineering costs related thereto.

91 |       b. A fire department vehicle, an emergency medical service  
92 | vehicle, a sheriff's office vehicle, a police department  
93 | vehicle, or any other vehicle, and such equipment necessary to  
94 | outfit the vehicle for its official use or equipment that has a  
95 | life expectancy of at least 5 years.

96 |       c. Any expenditure for the construction, lease, or  
97 | maintenance of, or provision of utilities or security for,  
98 | facilities as defined in s. 29.008.

99 |       3. Notwithstanding any other provision of this subsection,  
100 | a discretionary sales surtax imposed or extended after the  
101 | effective date of this act may provide for an amount not to  
102 | exceed 15 percent of the local option sales surtax proceeds to  
103 | be allocated for deposit to a trust fund within the county's  
104 | accounts created for the purpose of funding economic development  
105 | projects of a general public purpose targeted to improve local

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106 economies, including the funding of operational costs and  
107 incentives related to such economic development. The ballot  
108 statement must indicate the intention to make an allocation  
109 under the authority of this subparagraph.

110 (i) A school district, county, or municipality may use up  
111 to 35 percent of the proceeds to replace or supplant existing  
112 property tax levies, and any debt related to such levies, or  
113 user fees that have been imposed specifically for the purpose of  
114 providing infrastructure as defined in subparagraph (d)2., or to  
115 purchase environmentally sensitive lands. In the year following  
116 the imposition of the surtax, a county, municipality, or school  
117 district that uses a portion of the proceeds of the surtax to  
118 replace or supplant existing property tax levies or for  
119 operating expenses of infrastructure as provided in subparagraph  
120 (d)1. shall reduce property taxes by the amount of the proceeds  
121 used for those purposes.

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