

By the Committee on Finance and Tax; and Senator Alexander

593-2620-07

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A bill to be entitled
An act relating to discretionary sales
surtaxes; amending s. 212.055, F.S.; renaming
the charter county transit system surtax;
expanding eligibility to levy the transit
surtax to all charter counties; removing all
specific county government sales surtax caps;
providing for one cap to apply to all of a
county government's surtaxes combined;
providing an effective date.

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

Section 1. Subsection (1), paragraph (h) of subsection
(2), paragraph (f) of subsection (3), paragraphs (a) and (b)
of subsection (4), paragraph (f) of subsection (5), and
paragraph (f) of subsection (7) of section 212.055, Florida
Statutes, are amended, and subsection (8) is added to that
section, to read:

212.055 Discretionary sales surtaxes; legislative
intent; authorization and use of proceeds.--It is the
legislative intent that any authorization for imposition of a
discretionary sales surtax shall be published in the Florida
Statutes as a subsection of this section, irrespective of the
duration of the levy. Each enactment shall specify the types
of counties authorized to levy; the rate or rates which may be
imposed; the maximum length of time the surtax may be imposed,
if any; the procedure which must be followed to secure voter
approval, if required; the purpose for which the proceeds may
be expended; and such other requirements as the Legislature

1 may provide. Taxable transactions and administrative
2 procedures shall be as provided in s. 212.054.

3 (1) CHARTER COUNTY TRANSPORTATION ~~TRANSIT~~ SYSTEM
4 SURTAX.--

5 (a) Each charter county ~~which adopted a charter prior~~
6 ~~to January 1, 1984~~, and each county the government of which is
7 consolidated with that of one or more municipalities, may levy
8 a discretionary sales surtax, subject to approval by a
9 majority vote of the electorate of the county or by a charter
10 amendment approved by a majority vote of the electorate of the
11 county.

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

13 (c) The proposal to adopt a discretionary sales surtax
14 ~~is provided in this subsection~~ and to create a trust fund
15 within the county accounts shall be placed on the ballot in
16 accordance with law at a time to be set at the discretion of
17 the governing body.

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

21 1. Deposited by the county in the trust fund and ~~shall~~
22 be used for the purposes of development, construction,
23 equipment, maintenance, operation, supportive services,
24 including a countywide bus system, and related costs of a
25 fixed guideway rapid transit system;

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

1 existing bonds issued for the construction of such roads or
2 bridges, and, upon approval by the county commission, such
3 proceeds may be pledged for bonds issued to refinance existing
4 bonds or new bonds issued for the construction of such roads
5 or bridges;

6 3. Used by the charter county for the development,
7 construction, operation, and maintenance of roads and bridges
8 in the county; for the expansion, operation, and maintenance
9 of bus and fixed guideway systems; and for the payment of
10 principal and interest on bonds issued for the construction of
11 fixed guideway rapid transit systems, bus systems, roads, or
12 bridges; and such proceeds may be pledged by the governing
13 body of the county for bonds issued to refinance existing
14 bonds or new bonds issued for the construction of such fixed
15 guideway rapid transit systems, bus systems, roads, or bridges
16 and no more than 25 percent used for nontransit uses; and

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

3 (2) LOCAL GOVERNMENT INFRASTRUCTURE SURTAX.--

4 ~~(h) Notwithstanding any other provision of this~~
5 ~~section, a county shall not levy local option sales surtaxes~~
6 ~~authorized in this subsection and subsections (3), (4), and~~
7 ~~(5) in excess of a combined rate of 1 percent.~~

8 (3) SMALL COUNTY SURTAX.--

9 ~~(f) Notwithstanding any other provision of this~~
10 ~~section, a county shall not levy local option sales surtaxes~~
11 ~~authorized in this subsection and subsections (2), (4), and~~
12 ~~(5) in excess of a combined rate of 1 percent.~~

13 (4) INDIGENT CARE AND TRAUMA CENTER SURTAX.--

14 (a)~~1~~. The governing body in each county that the
15 ~~government of which~~ is not consolidated with that of one or
16 more municipalities, which has a population of at least
17 800,000 residents and is not authorized to levy a surtax under
18 subsection (5), may levy, pursuant to an ordinance either
19 approved by an extraordinary vote of the governing body or
20 conditioned to take effect only upon approval by a majority
21 vote of the electors of the county voting in a referendum, a
22 discretionary sales surtax at a rate that may not exceed 0.5
23 percent.

24 ~~1.2~~. If the ordinance is conditioned on a referendum,
25 a statement that includes a brief and general description of
26 the purposes to be funded by the surtax and that conforms to
27 the requirements of s. 101.161 shall be placed on the ballot
28 by the governing body ~~of the county~~. The following questions
29 shall be placed on the ballot:

30
31 FOR THE . . . CENTS TAX

AGAINST THE. . . .CENTS TAX

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3 ~~2.3.~~ The ordinance ~~adopted by the governing body~~
4 ~~providing for the imposition of the surtax~~ shall set forth a
5 plan for providing health care services to qualified
6 residents, as defined in subparagraph ~~3.~~ 4. Such plan and
7 subsequent amendments to it must ~~shall~~ fund a broad range of
8 health care services for both indigent persons and the
9 medically poor, including, but not limited to, primary care
10 and preventive care as well as hospital care. The plan must
11 also address the services to be provided by ~~a~~ the Level I
12 trauma center. It must ~~shall~~ emphasize ~~a~~ continuity of care in
13 the most cost-effective setting, taking into consideration
14 both a high quality of care and geographic access. Where
15 consistent with these objectives, it must ~~shall~~ include,
16 without limitation, services rendered by physicians, clinics,
17 community hospitals, mental health centers, and alternative
18 delivery sites, as well as at least one regional referral
19 hospital where appropriate. It must ~~shall~~ provide that
20 agreements negotiated between the county and providers,
21 including hospitals with a Level I trauma center, ~~will~~ include
22 reimbursement methodologies that take into account the cost of
23 services rendered to eligible patients, recognize hospitals
24 that render a disproportionate share of indigent care, provide
25 other incentives to promote the delivery of charity care,
26 promote the advancement of technology in medical services,
27 recognize the level of responsiveness to medical needs in
28 trauma cases, and require cost containment including, but not
29 limited to, case management. It must also provide that any
30 hospitals that are owned and operated by government entities
31 on May 21, 1991, must, as a condition of receiving funds under

1 | this subsection, provide ~~afford~~ public access as ~~equal to that~~
2 | provided under s. 286.011 ~~as~~ to meetings of the governing
3 | board, the subject of which is budgeting resources for the
4 | rendition of charity care as that term is defined in the
5 | Florida Hospital Uniform Reporting System (FHURS) manual
6 | referenced in s. 408.07. The plan must ~~shall~~ also include
7 | innovative health care programs that provide cost-effective
8 | alternatives to traditional methods of service delivery and
9 | funding.

10 | ~~3.4.~~ For the purpose of this paragraph, the term
11 | "qualified resident" means residents of the authorizing county
12 | who are:

13 | a. Qualified as indigent persons as certified by the
14 | authorizing county;

15 | b. Certified by the authorizing county as meeting the
16 | definition of the medically poor, defined as persons having
17 | insufficient income, resources, and assets to provide the
18 | needed medical care without using resources required to meet
19 | basic needs for shelter, food, clothing, and personal
20 | expenses; or not being eligible for any other state or federal
21 | program, or having medical needs that are not covered by any
22 | such program; or having insufficient third-party insurance
23 | coverage. In all cases, the authorizing county is intended to
24 | serve as the payor of last resort; or

25 | c. Participating in innovative, cost-effective
26 | programs approved by the authorizing county.

27 | ~~4.5.~~ Moneys collected pursuant to this paragraph
28 | remain the property of the state and shall be distributed by
29 | the Department of Revenue on a regular and periodic basis to
30 | the clerk of the circuit court as ex officio custodian of the
31 |

1 funds of the authorizing county. The clerk of the circuit
2 court shall:
3 a. Maintain the moneys in an indigent health care
4 trust fund;
5 b. Invest any funds held on deposit in the trust fund
6 pursuant to general law;
7 c. Disburse the funds, including any interest earned,
8 to any provider of health care services, as provided in
9 subparagraphs 2, ~~3~~ and 3. ~~4~~, upon directive from the
10 authorizing county. However, if a county has a population of
11 at least 800,000 residents and has levied the surtax
12 authorized in this paragraph, notwithstanding any directive
13 from the authorizing county, on October 1 of each calendar
14 year, the clerk of the court shall issue a check in the amount
15 of \$6.5 million to a hospital in its jurisdiction that has a
16 Level I trauma center or shall issue a check in the amount of
17 \$3.5 million to a hospital in its jurisdiction that has a
18 Level I trauma center if that county enacts and implements a
19 hospital lien law in accordance with chapter 98-499, Laws of
20 Florida. The issuance of the checks on October 1 of each year
21 is ~~provided~~ in recognition of the Level I trauma center status
22 and shall be in addition to the base contract amount received
23 during fiscal year 1999-2000 and any additional amount
24 negotiated to the base contract. If the hospital receiving
25 funds for its Level I trauma center status requests such funds
26 to be used to generate federal matching funds under Medicaid,
27 the clerk of the court shall instead issue a check to the
28 Agency for Health Care Administration to accomplish that
29 purpose to the extent that it is allowed through the General
30 Appropriations Act; and
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1 d. Prepare on a biennial basis an audit of the trust
2 fund specified in sub-subparagraph a. Commencing February 1,
3 2004, such audit shall be delivered to the governing body and
4 to the chair of the legislative delegation of each authorizing
5 county.

6 ~~6. Notwithstanding any other provision of this~~
7 ~~section, a county shall not levy local option sales surtaxes~~
8 ~~authorized in this paragraph and subsections (2) and (3) in~~
9 ~~excess of a combined rate of 1 percent.~~

10 (b) Notwithstanding any other provision of this
11 section, the governing body in each county the government of
12 which is not consolidated with that of one or more
13 municipalities and which has a population of less than 800,000
14 residents, may levy, by ordinance subject to approval by a
15 majority of the electors of the county voting in a referendum,
16 a discretionary sales surtax at a rate that may not exceed
17 0.25 percent for the sole purpose of funding trauma services
18 provided by a trauma center licensed pursuant to chapter 395.

19 1. A statement that includes a brief and general
20 description of the purposes to be funded by the surtax and
21 that conforms to the requirements of s. 101.161 shall be
22 placed on the ballot by the governing body of the county. The
23 following shall be placed on the ballot:

24
25 FOR THE. . . .CENTS TAX
26 AGAINST THE. . . .CENTS TAX
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28 2. The ordinance adopted by the governing body of the
29 county providing for the imposition of the surtax shall set
30 forth a plan for providing trauma services to trauma victims
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1 presenting in the trauma service area in which such county is
2 located.

3 3. Moneys collected pursuant to this paragraph remain
4 the property of the state and shall be distributed by the
5 Department of Revenue on a regular and periodic basis to the
6 clerk of the circuit court as ex officio custodian of the
7 funds of the authorizing county. The clerk of the circuit
8 court shall:

9 a. Maintain the moneys in a trauma services trust
10 fund.

11 b. Invest any funds held on deposit in the trust fund
12 pursuant to general law.

13 c. Disburse the funds, including any interest earned
14 on such funds, to the trauma center in its trauma service
15 area, as provided in the plan set forth pursuant to
16 subparagraph 2., upon directive from the authorizing county.
17 If the trauma center receiving funds requests such funds be
18 used to generate federal matching funds under Medicaid, the
19 custodian of the funds shall instead issue a check to the
20 Agency for Health Care Administration to accomplish that
21 purpose to the extent that the agency is allowed through the
22 General Appropriations Act.

23 d. Prepare on a biennial basis an audit of the trauma
24 services trust fund specified in sub-subparagraph a., to be
25 delivered to the authorizing county.

26 4. A discretionary sales surtax imposed pursuant to
27 this paragraph shall expire 4 years after the effective date
28 of the surtax, unless reenacted by ordinance subject to
29 approval by a majority of the electors of the county voting in
30 a subsequent referendum.

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1 ~~5. Notwithstanding any other provision of this~~
2 ~~section, a county shall not levy local option sales surtaxes~~
3 ~~authorized in this paragraph and subsections (2) and (3) in~~
4 ~~excess of a combined rate of 1 percent.~~

5 (5) COUNTY PUBLIC HOSPITAL SURTAX.--Any county as
6 defined in s. 125.011(1) may levy the surtax authorized in
7 this subsection pursuant to an ordinance either approved by
8 extraordinary vote of the county commission or conditioned to
9 take effect only upon approval by a majority vote of the
10 electors of the county voting in a referendum. In a county as
11 defined in s. 125.011(1), for the purposes of this subsection,
12 "county public general hospital" means a general hospital as
13 defined in s. 395.002 which is owned, operated, maintained, or
14 governed by the county or its agency, authority, or public
15 health trust.

16 ~~(f) Notwithstanding any other provision of this~~
17 ~~section, a county may not levy local option sales surtaxes~~
18 ~~authorized in this subsection and subsections (2) and (3) in~~
19 ~~excess of a combined rate of 1 percent.~~

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

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

28 (8) COUNTY GOVERNMENT SALES SURTAX CAP.--The county
29 governing authority may not levy one or more discretionary
30 sales surtaxes authorized under this section which have a
31 combined rate in excess of 2 percent.

1 Section 2. This act shall take effect July 1, 2007.

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3 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
4 COMMITTEE SUBSTITUTE FOR
5 SB 1778

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6 The committee substitute removes all specific local option
7 sales surtax caps and replaces them with a 2% cap to apply to
8 all local option sales surtaxes.

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