

**HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS**

**BILL #:** HB 1063

Lake Worth Drainage District, Palm Beach County

**SPONSOR(S):** Abruzzo

**TIED BILLS:**

**IDEN./SIM. BILLS:**

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	<b>REFERENCE</b>	<b>ACTION</b>	<b>ANALYST</b>	<b>STAFF DIRECTOR</b>
1)	Military & Local Affairs Policy Committee	14 Y, 0 N	Fudge	Hoagland
2)	Economic Development & Community Affairs Policy Council	15 Y, 0 N	Fudge	Tinker
3)	Finance & Tax Council		Wilson	Langston
4)				
5)				

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**SUMMARY ANALYSIS**

The Lake Worth Drainage District is an independent special district. The district was created in 1961 for the purpose of water control and water supply. All special acts of the district were codified in 1998. The governing body of the district consists of five supervisors elected by the electors of the district. The district has approximately 100 employees and is supported by an annual non-ad valorem assessment.

The bill constitutes the codification of all special acts relating to the Lake Worth Drainage District as contemplated by s. 189.429, F.S. It repeals chs. 98-525, 99-422, and 2003-344, L.O.F. It reenacts previous provisions of the charter, except for two changes: clarifies that the district provides comprehensive water management activities; and that the \$150 compensation paid to the supervisors is a salary which qualifies the supervisor for membership in the Florida Retirement System. This change will require a total annual employer contribution of \$3,546 for these five supervisors.

## HOUSE PRINCIPLES

Members are encouraged to evaluate proposed legislation in light of the following guiding principles of the House of Representatives

- Balance the state budget.
- Create a legal and regulatory environment that fosters economic growth and job creation.
- Lower the tax burden on families and businesses.
- Reverse or restrain the growth of government.
- Promote public safety.
- Promote educational accountability, excellence, and choice.
- Foster respect for the family and for innocent human life.
- Protect Florida's natural beauty.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

##### Codification of Special District Charters

Codification is the process of compiling, updating and systematically arranging the special acts that comprise a special district's charter. Original provisions may be amended by subsequent special acts after these charters are created by the Legislature. Because special act amendments are not automatically incorporated into one special act, it is necessary to locate all special acts amending an original charter in order to determine the current status of a special district's charter. This can be a difficult and time-consuming process for persons interested in ascertaining the law governing a district. Codification of special district charters is important because it allows readers to refer to one special act to identify the charter of a district.

Codification of special district charters initially was authorized by the 1997 Legislature in ss. 189.429<sup>1</sup> and 191.015,<sup>2</sup> F.S., both of which were amended in 1998. The laws currently provide for each district that has more than one special act to submit a draft codified charter, at its own expense, to the Legislature by December 1, 2004. Any codified act relating to a special district must provide for the repeal of all prior special acts relating to the district, and be filed with the Department of Community Affairs within 30 days after adoption pursuant to s. 189.418(2), F.S. The 2001 Legislature amended s. 189.429, F.S., to provide that reenactment of existing law: (1) shall not be construed to grant additional authority nor supersede the authority of an entity; (2) shall continue the application of exceptions to law contained in special acts reenacted pursuant to the section; (3) shall not be construed to modify, amend or alter any covenants, contracts or other obligations of any district with respect to bonded indebtedness; and (4) shall not be construed to affect a district's ability to levy and collect taxes, assessments, fees or charges for the purpose of redeeming or servicing the district's bonded indebtedness.

Although the deadline for submission of codified special district charters was prior to the 2005 Legislative session, all special districts have not complied with this requirement, and proposed codification bills for other special districts have not been enacted by the Legislature or have been vetoed by the Governor. As a result, it is anticipated that proposed codification bills will continue to be filed.

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<sup>1</sup> Chapter 189, F.S., is known as the "Uniform Special District Accountability Act."

<sup>2</sup> Chapter 191, F.S., is known as the "Independent Special Fire Control District Act."

## Status Statement Language

Section 189.404(5), F.S., requires the charter for special districts created after October 1, 1997, to contain and, as practical, the charter of a preexisting special district to be amended to contain, a reference to the status of the special district as dependent or independent. When necessary, the status statement must be amended to conform to the Department of Community Affairs's determination or declaratory statement regarding the status of the district.

## Lake Worth Drainage District

The Lake Worth Drainage District is an independent special district.<sup>3</sup> The district was created in 1961 for the purpose of water control and water supply. All special acts of the districts were codified in 1998.<sup>4</sup> The governing body of the district consists of five supervisors elected by the electors of the district. The district is comprised of approximately 200 square miles and includes approximately 500 miles of drainage canals, 20 major water control structures and numerous minor structures. The district has approximately 100 employees and is supported by an annual non-ad valorem assessment.

## **Effect of Proposed Changes**

The bill constitutes the codification of all special acts relating to the Lake Worth Drainage District as contemplated by s. 189.429, F.S. It repeals chs. 98-525, 99-422, and 2003-344, L.O.F.

The bill re-creates the district, and provides the exclusive charter for the district. It reenacts previous provisions of the charter, except for two changes. First, it clarifies that the district provides comprehensive water management activities instead of only flood control and drainage. This authority is consistent with the powers provided in s. 298.22, F.S., regarding water control districts. Second, the bill provides that the \$150 compensation paid to the supervisors is a salary which qualifies the supervisor for membership in the Florida Retirement System.

## **B. SECTION DIRECTORY:**

Section 1: Provides that the act constitutes the codification of all special acts.

Section 2: Amends, codifies, reenacts, and repeals chs. 98-525, 99-422, and 2003-344, L.O.F.

Section 3: Recreates the Lake Worth Drainage District, and reenacts the charter to include:

Section 1: Boundaries.

Section 2: Makes ch. 298, F.S., applicable to the district.

Section 3: Powers.

Section 4: Governing body.

Section 5: Meetings of Supervisors.

Section 6: Compensation.

Section 7: Meetings of Landowners.

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<sup>3</sup> "Independent special district" means a special district that is not a dependent special district. § 189.403(3), F.S. A dependent special district has at least one of the following characteristics: "(a) the membership of its governing body is identical to that of the governing body of a single county or a single municipality; (b) all members of its governing body are appointed by the governing body of a single county or a single municipality; (c) during their unexpired terms, members of the special district's governing body are subject to removal at will by the governing body of a single county or a single municipality; (d) the district has a budget that requires approval through an affirmative vote or can be vetoed by the governing body of a single county or a single municipality." § 189.403(2), F.S.

<sup>4</sup> Ch. 98-525, L.O.F.

Section 8: Installment taxes.

Section 9: Maintenance taxes.

Section 10: Irrigation tax.

Section 11: Special improvements; assessments.

Section 12: Liens.

Section 13: Delinquent taxes; penalties and discounts

Section 14: Compensation of property appraiser, tax collector, and clerk of court.

Section 15: Bonds.

Section 16: Authority to issue bonds.

Section 17: Floating indebtedness.

Section 18: Prohibition on use of bonds and interest coupons in payment of taxes.

Section 19: Eminent domain.

Section 20: Legislative determination.

Section 21: Annexation of new territory.

Section 22: Unit development.

Section 23: District liability.

Section 24: Construction.

Section 25: Applicability of current law.

Section 4: Repeals chs. 98-525, 99-422, and 2003-344, L.O.F.

Section 5: Provides an effective date of July 1, 2009.

## II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes  No

IF YES, WHEN? November 14, 2008.

WHERE? In the *Palm Beach Post*, a daily and Sunday newspaper published in Palm Beach County, Florida.

B. REFERENDUM(S) REQUIRED? Yes  No

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes, attached  No

D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached  No

The Division of Retirement has indicated that including the supervisors in the FRS will result in \$3,546 in total employer contributions owed based on current employer contribution rates and proposed rates for the 2009-10 year.

### **III. COMMENTS**

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

### **IV. AMENDMENTS/COUNCIL OR COMMITTEE SUBSTITUTE CHANGES**

None.