

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Health and Human Services Appropriations Committee

BILL: CS/CS/SB 1216

INTRODUCER: Community Affairs Committee; Children, Families, and Elder Affairs Committee;
Senator Negrón and others

SUBJECT: Children’s Services

DATE: April 15, 2010 **REVISED:** _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Walsh	Walsh	CF	Fav/CS
2.	Wolfgang	Yeatman	CA	Fav/CS
3.	Fournier	McKee	FT	Favorable
4.	Hansen	Hansen	HA	Favorable
5.				
6.				

Please see Section VIII. for Additional Information:

A. COMMITTEE SUBSTITUTE..... Statement of Substantial Changes

B. AMENDMENTS..... Technical amendments were recommended

Amendments were recommended

Significant amendments were recommended

I. Summary:

Committee Substitute for CS/SB 1216 requires that, in each county where a childrens’s services district has been created, the county must submit to the voters the question of whether to retain or dissolve the district every six years in the general election. The bill also provides a schedule for the first implementation of this requirement.

No fiscal impact is anticipated as a result of this legislation, although county governments may experience insignificant costs associated with holding the required elections if the ballot is lengthed and it requires an additional page of card stock.

This bill substantially amends s. 125.901, Florida Statutes and creates an undesignated section of law.

II. Present Situation:

Special Districts in Florida

The Florida Constitution specifically provides for four types of local governments: counties, school districts, municipalities, and special districts. The 67 counties are subdivisions of the state, providing a variety of core services through constitutional officers (county commissioners, sheriff, tax collector, property appraiser, supervisor of elections, and clerk of the court) pursuant to authority granted in the constitution and consistent with general law. The 67 school districts are coterminous with the boundaries of the county and are responsible for operating, controlling, and supervising all free public schools within the district. The 408 municipalities exist pursuant to charters established by law and approved by the electorate in a referendum. They possess “home rule” authority to provide traditional municipal services to the extent consistent with their charters and not inconsistent with general law. The State Constitution limits the property taxing authority of these forms of local government to 10 mills on the assessed value of real estate and tangible personal property in each jurisdiction, respectively.

According to the Special District Information Office (SDIO) of the Department of Community Affairs, there are 1,622 special districts in Florida.¹ These districts provide a variety of governmental services pertaining to airports; the arts; beach restoration; children’s services; community development; conservation; emergency medical services; environmental protection; expressways and bridges; fire control and rescue; health care; housing; juvenile welfare; libraries; mosquito control; navigation; neighborhood improvement; ports; recreation and parks; soil and water conservation; transportation; water control and supply; and water and sewer services.

Chapter 189, F.S., the Uniform Special District Act of 1989, generally governs the creation and operation of special districts in the state. It also establishes procedures and limitations on the election of district officers, levy of ad valorem taxes and special assessments, bonding of district revenues, budgeting, and reporting requirements. Section 189.403(1), F.S., defines a special district as:

...a local unit of special purpose, as opposed to general-purpose, government within a limited boundary, created by general law, special act, local ordinance, or by rule of the Governor and Cabinet. The special purpose or purposes of special districts are implemented by specialized functions and related prescribed powers....

The term does not include a school district; a community college district; a municipal service taxing or benefit unit as specified in s. 125.01, F.S., or a board which provides electrical service and which is a political subdivision of a municipality or is part of a municipality.

¹ *Official List of Special Districts Online, County, State and Status (Dependent/Independent) Totals as of 2/28/2010*, available at http://www.floridaspecialdistricts.org/OfficialList/numbr_of.cfm (last visited February 28, 2010).

Dependent and Independent Special Districts

Special districts are further delineated as “independent” and “dependent” special districts.

Dependent special districts are defined in s. 189.404(2) as a special district that meets at least one of the following criteria:

- The membership of its governing body is identical to that of the governing body of a single county or a single municipality;
- All members of its governing body are appointed by the governing body of a single county or a single municipality;
- 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; or
- 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.

According to the SDIO, there are 615 dependent special districts in the state.² These districts are components of county or municipal governments, created by ordinance or special act of the Legislature. As such, these districts are accountable to the respective county or municipal government. If the district levies ad valorem taxes, such taxes are subject to the constitutional millage limitation for the respective jurisdiction.

An independent special district is defined in subsection (3) as “...a special district that is not a dependent special district as defined in subsection (2).” Furthermore, a district that includes more than one county is an independent special district unless the district lies wholly within the boundaries of a single municipality. According to the SDIO, there are 1,007 independent special districts in the state.³

Section 189.404(3), F.S., requires that general laws or special acts that create or authorize the creation of an independent special district must address the following in their charters:

- The purpose of the district;
- The powers, functions, and duties of the district regarding ad valorem taxation, bond issuance, other revenue-raising capabilities, budget preparation and approval, liens and foreclosure of liens, use of tax deeds and tax certificates as appropriate for non-ad valorem assessments, and contractual agreements;
- The methods for establishing the district;
- The method for amending the charter of the district;
- The membership and organization of the governing board of the district;
- The maximum compensation of a governing board member;
- The administrative duties of the governing board of the district;
- The applicable financial disclosure, noticing, and reporting requirements;

² *Id.*

³ *Id.*

- If a district has authority to issue bonds, the procedures and requirements for issuing bonds;
- The procedures for conducting any district elections or referenda required and the qualifications of an elector of the district;
- The methods for financing the district;
- If an independent special district has the authority to levy ad valorem taxes, the millage rate that is authorized;
- The method or methods for collecting non-ad valorem assessments, fees, or service charges;
- Planning requirements; and
- Geographic boundary limitations.

Subsection (4) of s. 189.404, F.S., provides that except as otherwise authorized by general law, only the Legislature may create independent special districts. One authorized exception to this provision includes Children's Services Districts created pursuant to s. 125.901, F.S.

Children's Services Districts (CSD)

Section 125.901, F.S., authorizes counties to create, by ordinance, an independent or dependent special district to provide funding for preventative, developmental, treatment, and rehabilitative services for children throughout the county. Upon approval by the electors in the county, the district may annually levy ad valorem taxes, not to exceed 0.5 mills. In addition, this section provides for an appointed governing board for the special district, specifying the powers and functions of the board; requires each board to identify and assess the needs of the children in the county served by the board and to provide an annual written report to the governing body of the county; requires the board to prepare a budget and prepare and file a financial report with the governing body of the county; and provides for the dissolution of the district.

According to SDIO, there are eight independent Children's Services Districts in Florida:⁴

- Children's Board of Hillsborough County
- Children's Services Council of Brevard County
- Children's Services Council of Broward County
- Children's Services Council of Martin County
- Children's Services Council of Okeechobee County
- Children's Services Council of Palm Beach County
- Children's Services Council of St. Lucie County
- The Children's Trust (Miami-Dade County)

The eight counties with independent children's services districts are home to nearly 2 million children, or 43 percent of the children living in Florida. The districts collectively generated \$450 million for programs and services for children in their communities in fiscal year 2008-2009.

⁴ *Official List of Special Districts Online, Customized Special District List by Children/Welfare Function as of 2/28/2010*, available at <http://www.floridaspecialdistricts.org/OfficialList/criteria.cfm> (last visited February 28, 2010). There are two other independent special districts relating to children's issues; however, each was created pursuant to s. 189.404, F.S.

During that same period, over \$90 million was generated through local, federal and private program funding.⁵

The largest portions of the district budgets are invested to support maternal and child health, school readiness/child care, and out of school and afterschool programs. The districts invest in prevention and early intervention services not funded by other entities with the aim of avoiding future higher-cost state-funded services.⁶

III. Effect of Proposed Changes:

Section 1 of the bill amends s. 125.901(4), F.S., to require that every six years, in the general election, the county must submit to the electors of the children’s services district the question whether to retain or dissolve the district. The bill also provides a schedule for the first implementation of this requirement as follows:

- For those districts which held the most recent CSD referendum before 1991:2010
- For those districts which held the most recent CSD referendum between 1991 and 2000:2012
- For those districts which held the most recent CSD referendum between 2001 and 2010:2016
- For those districts which are authorized after 2010: Six years after the authorization

Section 2 of the bill creates an undesignated section of law to clarify that the provisions of the bill apply to any special district for children’s services that are governed by a council on children’s services.

Section 3 provides that the bill shall take effect upon becoming a law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

The provisions of this bill have no impact on municipalities and the counties under the requirements of Article VII, Section 18 of the Florida Constitution.

B. Public Records/Open Meetings Issues:

The provisions of this bill have no impact on public records or open meetings issues under the requirements of Article I, Section 24(a) and (b) of the Florida Constitution.

C. Trust Funds Restrictions:

The provisions of this bill have no impact on the trust fund restrictions under the requirements of Article III, Subsection 19(f) of the Florida Constitution.

⁵ Fact sheet from Florida Children’s Services Council, received from Kristin Vallese, Director of Outreach and Operations, Florida Children’s Services Council, by committee staff on March 2, 2010 (on file with the committee).

⁶ *Id.*

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The county may incur minimal costs associated with holding the required elections if the ballot is lengthed and it requires an additional page of card stock. Section 125.901, F.S., requires the county to assume debts, liabilities, contracts, and outstanding obligations of the district if the electorate votes to dissolve the special district.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Additional Information:A. Committee Substitute – Statement of Substantial Changes:
(Summarizing differences between the Committee Substitute and the prior version of the bill.)**CS by Community Affairs on April 7, 2010:**

Requires that the election at which the district is up for retention is the general election.

CS by Children, Families, and Elder Affairs on March 18, 2010:

The Committee adopted a strike all amendment which amends s. 125.901(4), F.S., to require that every six years, in the August primary election, the county must submit to the electors of the children's services district the question whether to retain or dissolve the district. The bill also provides a schedule for the first implementation of this requirement.

B. Amendments:

None.