

**HOUSE OF REPRESENTATIVES
FINAL BILL ANALYSIS**

BILL #: HB 885

FINAL HOUSE FLOOR ACTION:

SPONSOR(S): Steube

118 Y's 1 N's

COMPANION N/A
BILLS:

GOVERNOR'S ACTION: Approved

SUMMARY ANALYSIS

HB 885 passed the House on April 25, 2014, and subsequently passed the Senate on April 29, 2014.

HB 885 repeals ch. 30961 (1955), L.O.F. (Act), in order to remove from state law the requirement for the inclusion of a reversion clause in a lease or conveyance of land between Manatee County (County) and a non-profit organization.

The County states that under current law the requirement for a reversion clause harms the value of the County property and harms a non-profit organization's ability to use the property as collateral on bank loans. As such, these problems hinder the County's ability to do better business with non-profit organizations. Repealing this Act will remedy these problems, giving an advantage to both businesses and the County's local government.

This bill does not appear to have a fiscal impact on state or local governments.

The bill was approved by the Governor on May 12, 2014, and became effective on that date.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

Chapter 30961 (1955), L.O.F.

The Florida Legislature enacted ch. 30961 (1955), L.O.F. (Act), in 1955. Section 1 of the Act authorized the Manatee Board of County Commissioners to lease or convey County lands to any non-profit including charitable, educational, religious, scientific, character building, or patriotic organizations, associations, corporations, or trustees.¹ In turn, the leased or conveyed land must be used for educational, religious, scientific, character building, or patriotic purposes. The Act included the ability to build and improve a current building on the land for non-profit purposes.

Section 2 of the Act authorized the Manatee Board of County Commissioners to execute all written instruments necessary to complete the non-profit lease or conveyance of property. Section 3 restated the lease or conveyance of County property under the Act shall be only for charitable, educational, religious, scientific, character building, or patriotic uses. This Section also required a lease or conveyance to include a reversion clause. Thus, if the lease or conveyance does not fall under one of the non-profit categories or the lease or conveyance is no longer in use by the non-profit entity, the County had the right to re-enter and repossesses the land.²

Currently, Manatee County Code codifies provisions of the Act.³ Therefore, under its home rule power, the County may lease or convey County land to a non-profit organization.⁴ Likewise, this lease or conveyance must include a reversion clause to the County if the land is no longer being used for a non-profit organization or a non-profit organization ceases to use the land for a qualifying purpose.

Effect of the Bill

HB 885 repeals the Act, to remove the inclusion of the reversion clause if the County chooses to lease or convey County land to a non-profit organization.

The language in the Act will still be codified in the County's Code. However, by removing this language from state law, the County can amend its Code as the County finds appropriate.

II. FISCAL ANALYSIS, ECONOMIC IMPACT STATEMENT, & NOTICE/REFERENDUM

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

¹ Chapter 30961 (1955), L.O.F.

² *Id.*

³ Manatee County Local Laws, Ch. 1-1, Art. II, Div. 3, Sec. 1-1-48.

⁴ *Id.*

None.

2. Expenditures:

None.

C. ECONOMIC IMPACT STATEMENT FILED? Yes No

D. NOTICE PUBLISHED? Yes No

IF YES, WHEN? December 31, 2013

WHERE? *Bradenton Herald*, a daily newspaper published in Bradenton, Manatee County, Florida.

E. REFERENDUM(S) REQUIRED? Yes No