A bill to be entitled
An act relating to affordable housing discretionary surtax; creating s. 125.01065, F.S.; providing definitions; authorizing certain counties to levy a discretionary surtax to establish and finance an affordable housing trust fund within the county; specifying the cap for the rate of the surtax; specifying the documents and conditions under which the surtax applies; specifying the procedures a county must use before levying the surtax; specifying authorized and prohibited uses of surtax proceeds; prohibiting the rehabilitation of housing owned by certain governments without a specified vote; authorizing certain counties to create housing assistance voucher programs under specified conditions; specifying uses for such vouchers; specifying requirements for such programs; requiring the Office of Program Policy Analysis and Government Accountability to review the discretionary surtax program at a specified interval and provide a report to the Governor and Legislature; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:
Section 1. Section 125.01065, Florida Statutes, is created to read:

125.01065 County affordable housing discretionary surtax on documents; definitions; adoption; application of revenue.—

(1) For purposes of this section, the term:

(a) "County" means the governing authority of:

1. A charter county that has an estimated population of 900,000 or more; or

2. A county government that is consolidated with one or more municipalities, which, together, have an estimated population of 900,000 or more.

However, the term does not include any county defined in s. 125.011(1) that levies a discretionary surtax on documents pursuant to s. 125.0167.

(b) "Homeownership assistance" means assisting low-income and moderate-income families in purchasing a home as their primary residence, including, but not limited to, reducing the cost of the home with below-market construction financing, the amount of down payment and closing costs paid by the borrower, or the mortgage payment to an affordable amount for the purchaser or using any other financial assistance measure set forth in s. 420.5088.

(c) "Housing" includes single-family, detached dwellings, multi-family dwellings, and other residential dwellings.
(d) "Housing assistance voucher" means the document used to access assistance paid by the county from the discretionary surtax balance in the Affordable Housing Trust Fund to a prospective purchaser of a single-family residence, which must be the purchaser's homestead.

(e) "Low-income family" means one or more natural persons or a family with a total anticipated income for the household that does not exceed 80 percent of the median annual income adjusted for family size for households within the area of the county.

(f) "Moderate-income family" means one or more natural persons or a family with a total anticipated income for the household that is in excess of 80 percent but less than 140 percent of the median annual income adjusted for family size for households within the area of the county.

(g) "Purchasing employer" means a business or business entity that has acquired real property within the county and paid the discretionary surtax due as a result of the acquisition of that property pursuant to this section.

(2) Pursuant to s. 201.031, the governing authority in each county is authorized to levy a discretionary surtax on documents for the purpose of establishing and financing an affordable housing trust fund within the county.

(3) The rate of the surtax may not exceed the rate of 45 cents for each $100 or fractional part thereof of the
consideration therefor. The surtax shall apply only to those documents taxable under s. 201.02, except a surtax may not be levied on any document in which the interest granted, assigned, transferred, or conveyed involves only a single-family residence. A single-family residence may be a condominium unit, a unit held through stock ownership or membership representing a proprietary interest in a corporation owning a fee or a leasehold initially in excess of 98 years, or a detached dwelling.

(4) The surtax authorized in this section may only be levied upon approval of a majority of the electorate of the county voting in a referendum held at a general election, as defined in s. 97.021, unless before January 1, 2019, the electorate of the county approved an amendment to the county's charter creating a continuing, nonlapsing housing-related trust fund to address the need for affordable housing within the county.

(5) Subject to subsection (4), a county levying the discretionary surtax must enact an ordinance creating an affordable housing trust fund and a housing assistance voucher program. Consistent with this section, the ordinance shall establish the policies and procedures governing the levy of the surtax, use of surtax proceeds, eligibility standards, and housing assistance voucher programs available to low-income and moderate-income families residing within the county. The surtax...
ordinance must be proposed at a regular meeting of the governing authority at least 2 weeks before the public hearing at which the ordinance will be formally enacted. The ordinance is not effective unless it is approved by a majority vote of the total membership of the governing authority of the county. The ordinance may not take effect until 90 days after formal enactment or such other date prescribed by the governing authority of the county, whichever is later.

(6) The county shall deposit all proceeds from the discretionary surtax in the affordable housing trust fund within the county. The county shall use the proceeds only to help finance the construction, rehabilitation, or purchase of housing for low-income and moderate-income families, to pay the necessary costs of collection and enforcement of the surtax, and to fund any local matching contributions required pursuant to federal law. At least 50 percent of the funds used in each county to provide such housing assistance shall be for the benefit of low-income families. At least 10 percent of the funds used in each county shall be to provide housing assistance for income-eligible, qualified individuals with disabilities. Authorized uses of the proceeds include:

(a) Providing funds for first and second mortgages;
(b) Acquiring property to form housing cooperatives; and
(c) Acquiring land for a residential housing project, in which at least 30 percent of the units are affordable to low-income families.
income and moderate income families, if the land is owned by a local government or a special district that enters into an agreement with the county to provide such housing. The local government or special district may enter into a ground lease with a person or entity for nominal or other consideration for the construction of the residential housing project on land acquired pursuant to this paragraph.

(7)(a) However, no more than 50 percent of the revenues collected each year under this section may be used to help finance new construction. The proceeds of the surtax may not be used for rent subsidies or grants.

(b) No more than 10 percent of surtax revenues collected under this section by the Department of Revenue and remitted to the county in any fiscal year may be used for administrative costs.

(8) Notwithstanding subsection (6), of the discretionary surtax revenues collected by the Department of Revenue remaining after any deduction for administrative costs as provided in subsection (7), no less than 35 percent shall be used to provide homeownership assistance for low-income and moderate-income families, and no less than 35 percent shall be used for construction, rehabilitation, and purchase of rental housing units. The remaining amount may be allocated to provide for homeownership assistance or rental housing units, at the discretion of the county.
(9) Any funds allocated for homeownership assistance or rental housing units that are not committed at the end of the fiscal year shall be reallocated in subsequent years consistent with this subsection, in that no less than 35 percent shall be reallocated to provide homeownership assistance for low-income and moderate-income families, and no less than 35 percent shall be reallocated for construction, rehabilitation, and purchase of rental housing units. The remaining amount of uncommitted funds may be reallocated at the discretion of the county within any of the categories established in this section.

(10) Rehabilitation of housing owned by a recipient government may be authorized only after a determination approved by a majority vote of the total membership of the governing authority of the county that no other sources of funds are available.

(11)(a) Each county may, by county ordinance and pursuant to procedures and requirements provided by such ordinance, create a housing assistance voucher program.

(b) Housing assistance vouchers shall be used for down payment assistance to low-income and moderate-income families within the county who are purchasing a single-family residence and who:

1. Will live within a 5-mile radius of the purchasing employer.

2. Are actively employed by the purchasing employer or by
a business or business entity directly affiliated with the purchasing employer.

3. Are prequalified for a mortgage loan by a certified lending institution.

  (c) Upon payment of the discretionary surtax pursuant to this section, the purchasing employer may file for an allocation of housing assistance vouchers from the county in an amount not to exceed 50 percent of the amount of the discretionary surtax paid. The purchasing employer shall distribute the allocation to employees in the form of housing assistance vouchers pursuant to rules and procedures established for the program.

  (d) Any housing assistance voucher allocation not distributed to employees and redeemed by an employee within 1 year after the date the discretionary surtax is remitted to the county may not be used for housing assistance vouchers under this subsection.

  (e) Any housing assistance paid pursuant to the housing assistance voucher program shall be included in the calculation determining the percentage of discretionary surtax funds used for homeownership purposes during the year in which the surtax funds for such purposes are expended.

  (12) By January 1, 2024, and every 5 years thereafter, the Office of Program Policy Analysis and Government Accountability shall review the discretionary surtax program operated by counties under this section and shall provide a report to the
Governor, the President of the Senate, and the Speaker of the House of Representatives.

Section 2. This act shall take effect July 1, 2019.