

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1377 Land Acquisition Funding

SPONSOR(S): Roth

TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Agriculture & Natural Resources Appropriations Subcommittee		White	Pigott
2) Ways & Means Committee			
3) Appropriations Committee			

SUMMARY ANALYSIS

As a successor to Preservation 2000 (P2000), the Legislature created the Florida Forever program in 1999 to be Florida's premier conservation and recreation lands acquisition program. Since the inception of the Florida Forever program in July 2001, the state has purchased over 897,785 acres of land with over \$3.3 billion in funding. Section 215.618, Florida Statutes, authorizes the issuance of Florida Forever bonds, not to exceed \$5.3 billion. Proceeds from the sale of bonds must be deposited into the Florida Forever Trust Fund within the Department of Environmental Protection (DEP). Current law specifies how Florida Forever funds must be allocated.

The bill revises how Florida Forever Trust Fund funding must be distributed as follows:

- The bill repeals the thirty percent distribution to DEP for the acquisition of lands and capital project expenditures necessary to implement the water management districts' priority lists.
- The bill retains the thirty-five percent distribution to DEP for the acquisition of lands and capital project expenditures.
- The bill decreases the twenty-one percent distribution to twenty percent to DEP for use by the Florida Communities Trust.
- The bill retains the two percent distribution to DEP for the Florida Recreation Development Assistance Program.
- The bill increases the one and five-tenths percent distribution to two percent to DEP for the purchase of inholdings and additions to state parks and for capital project expenditures.
- The bill increases the one and five-tenths percent distribution to two percent to the Florida Forest Service of the Department of Agriculture and Consumer Services (DACS).
- The bill increases the one and five-tenths percent distribution to two percent to the Fish and Wildlife Conservation Commission.
- The bill increases the one and five-tenths percent distribution to two percent to DEP for the Florida Greenways and Trails Program.
- The bill increases the three and five-tenths percent distribution to thirty-five percent to DACS for the acquisition of agricultural lands through perpetual conservation easements and other perpetual less than fee techniques.
- The bill repeals the two and five-tenths percent distribution to DEP for the Stan Mayfield Working Waterfronts Program but provides that up to two percent of the funds distributed to the Florida Communities Trust may be used for the Stan Mayfield Working Waterfronts Program.

The bill extends the retirement date for Florida Forever bonds from December 31, 2040, to December 31, 2054.

Section 28, Article X of the State Constitution establishes the Land Acquisition Trust Fund (LATF). The bill appropriates the lesser of 40% or \$350 million from the LATF into the Florida Forever Trust Fund. The bill also prohibits funds from the LATF from being used for administrative costs in specified state agencies.

The bill has a significant negative fiscal impact on state government and may have a positive fiscal impact on local governments and the private sector.

The bill provides an effective date of July 1, 2022.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives .

STORAGE NAME: h1377.ANR

DATE: 2/11/2022

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Background

Florida Forever

As a successor to Preservation 2000 (P2000), the Legislature created the Florida Forever program in 1999 to be Florida's premier conservation and recreation lands acquisition program. More than 2.6 million acres have been purchased under the Florida Forever and P2000 programs.¹ Florida Forever encompasses a wide range of goals, including environmental restoration; water resource development and supply; increased public access; public lands management and maintenance; and increased protection of land by acquisition of conservation easements.² Since the inception of the Florida Forever program in July 2001, the state has purchased over 897,785 acres of land with over \$3.3 billion in funding.³

Florida Forever Bonding

Section 215.618, Florida Statutes, authorizes the issuance of Florida Forever bonds, not to exceed \$5.3 billion, to finance or refinance the cost of acquisition and improvement of land, water areas, and related property interests and resources, in urban and rural settings, for the purposes of restoration, conservation, recreation, water resource development, or historical preservation, and for capital improvements to lands and water areas that accomplish environmental restoration, enhance public access and recreational enjoyment, promote long-term management goals, and facilitate water resource development. Additionally, Florida Forever bonds are also authorized to finance or refinance the acquisition and improvement of land, water areas, and related property interests as provided in s. 28, Art. X of the State Constitution. Florida Forever bonds are payable from taxes distributed to the Land Acquisition Trust Fund pursuant to s. 201.15, Florida Statutes, and these bonds must be retired by December 31, 2040.

Florida Forever Trust Fund

Section 259.1051, Florida Statutes, creates the Florida Forever Trust Fund within the Department of Environmental Protection (DEP). Proceeds from the sale of bonds must be deposited in the fund and distributed pursuant to s. 259.105, Florida Statutes, as follows:

- Thirty percent to DEP for the acquisition of lands and capital project expenditures necessary to implement the water management districts' priority lists developed pursuant to s. 373.199, Florida Statutes.
- Thirty-Five percent to DEP for the acquisition of lands and capital project expenditures, with an increased priority given to those acquisitions which achieve a combination of conservation goals, including protecting Florida's water resources and groundwater recharge. Beginning in the 2017-2018 fiscal year and continuing through the 20206-2027 fiscal year, at least \$5 million of these funds shall be spent on land acquisition within the Florida Keys Area of Critical State Concern.
- Twenty-one percent to DEP for use by the Florida Communities Trust for grants for the acquisition of community-based projects, urban open spaces, parks, and greenways to implement local government comprehensive plans. 75 percent of the funds used for land acquisition shall be matched by local governments on a dollar-for-dollar basis.
- Two percent to DEP for the Florida Recreation Development Assistance Program to provide grants to qualified local governmental entities to acquire or develop land for public outdoor recreation purposes.

¹ Department of Environmental Protection, *Florida Forever*, available at <https://floridadep.gov/lands/environmental-services/content/florida-forever> (last visited Feb. 7, 2022).

² Department of Environmental Protection, *2021 Florida Forever Five-Year Plan*, available at https://floridadep.gov/sites/default/files/FLDEP_DSL_OES_FF_2021Abstract_2.pdf (last visited Feb. 7, 2022).

³ Department of Environmental Protection, *Florida Forever Funding Status as of December 31, 2021*, available at https://floridadep.gov/sites/default/files/2021_12_SUM.pdf (last visited Feb. 7, 2022).

- One and five-tenths percent to DEP for the purchase of inholdings and additions to state parks and for capital project expenditures.
- One and five-tenths percent to the Florida Forest Service of the Department of Agriculture and Consumer Services (DACS) to fund the acquisition of state forest inholding and additions, the implementation of reforestation plans or sustainable forestry management practices, and for capital project expenditures.
- One and five-tenths percent to the Fish and Wildlife Conservation Commission to fund the acquisition of inholdings and additions to lands managed by the commission which are important to the conservation of fish and wildlife and for capital project expenditures.
- One and five-tenths percent to DEP for the Florida Greenways and Trails Program.
- Three and five-tenths percent to DACS for the acquisition of agricultural lands through perpetual conservation easements and other perpetual less than fee techniques.
- Two and five-tenths percent to DEP for the acquisition of land and capital project expenditures necessary to implement the Stan Mayfield Working Waterfronts Program within the Florida Communities Trust pursuant to s. 380.5105, Florida Statutes.

Land Acquisition Trust Fund

The Land Acquisition Trust Fund (LATF) is established by section 28, Article X of the State Constitution and is administered by DEP. Funds in the LATF may be expended for the following purposes:

- To finance or refinance the acquisition and improvement of land, water areas, and related property interests, including conservation easements, and resources for conservation lands, including wetlands, forests, and fish and wildlife habitat;
- Wildlife management areas;
- Lands that protect water resources and drinking water sources, including lands protecting the water quality and quantity of rivers, lakes, streams, springsheds, and lands providing recharge for groundwater and aquifer systems;
- Lands in the Everglades Agricultural Area and the Everglades Protection Area,
- Beaches and shores;
- Outdoor recreation lands, including recreational trails, parks, and urban open space;
- Rural landscapes;
- Working farms and ranches;
- Historic or geologic sites; and
- Together with management, restoration of natural systems, and the enhancement of public access or recreational enjoyment of conservation lands.

Chapter 201, Florida Statutes, requires two types of documentary stamp taxes to be collected: an excise tax of 70 cents per \$100 on deeds and other documents related to real property, and an excise tax of 35 cents per \$100 on certificates of indebtedness, promissory notes, wage assignments, and retail charge agreements. Section 28, Article X of the State Constitution requires 33% of the excise tax on documents to be deposited into the LATF.

Section 375.041, Florida Statutes, prescribes that the funds must be allocated in the following order and amounts:

- First, to pay debt service for Florida Forever bonds and Everglades restoration bonds.
- Of the funds remaining after the debt service payments, but before funds may be used for other purposes:
 - A minimum of the lesser of 25 percent or \$200 million annually for Everglades projects.
 - A minimum of the lesser of 7.6 percent or \$50 million annually for springs restoration, protection, and management projects.
 - The sum of \$5 million annually through the 2025-26 fiscal year to the St. Johns River Water Management District for projects dedicated to the restoration of Lake Apopka.
 - The sum of \$64 million annually to the Everglades Trust Fund for the Everglades Agricultural Area reservoir project.
 - The sum of \$50 million annually to the South Florida Water Management District for the Lake Okeechobee Watershed Restoration Project.

- Any remaining moneys are authorized for the purposes set forth in s. 28, Art. X of the State Constitution.

Effect of the Bill

The bill extends the retirement date for Florida Forever bonds from December 31, 2040, to December 31, 2054.

The bill revises how the Florida Forever Trust Fund funding must be distributed as follows:

- The bill repeals the thirty percent distribution to DEP for the acquisition of lands and capital project expenditures necessary to implement the water management districts' priority lists .
- The bill retains the thirty-five percent distribution to DEP for the acquisition of lands and capital project expenditures.
- The bill decreases the twenty-one percent distribution to twenty percent to DEP for use by the Florida Communities Trust.
- The bill retains the two percent distribution to DEP for the Florida Recreation Development Assistance Program to provide grants to qualified local governmental entities to acquire or develop land for public outdoor recreation purposes .
- The bill increases the one and five-tenths percent distribution to two percent to DEP for the purchase of inholdings and additions to state parks and for capital project expenditures.
- The bill increases the one and five-tenths percent distribution to two percent to the Florida Forest Service of the DACS.
- The bill increases the one and five-tenths percent distribution to two percent to the Fish and Wildlife Conservation Commission.
- The bill increases the one and five-tenths percent distribution to two percent to DEP for the Florida Greenways and Trails Program.
- The bill increases the three and five-tenths percent distribution to thirty-five percent to DACS for the acquisition of agricultural lands through perpetual conservation easements and other perpetual less than fee techniques.
- The bill repeals the two and five-tenths percent distribution to DEP for the Stan Mayfield Working Waterfronts Program but provides that up to two percent of the funds distributed to the Florida Communities Trust may be used for the Stan Mayfield Working Waterfronts Program.

The bill requires that after the debt service payment on bonds, a minimum of the lesser of 40 percent or \$350 million must be appropriated annually from the LATF to the Florida Forever Trust Fund.

The bill prohibits funding distributed from the LATF to be used for any costs associated with any of the following budget entities:

- The Executive Direction and Support Services and the Technology and Information Services within DEP.
- The Executive Direction and Support Services and the Office of Agriculture Technology Services within DACS.
- The Office of Executive Direction and Administrative Support Services within the Fish and Wildlife Conservation Commission.
- The Executive Direction and Support Services within the Department of State.

The bill provides an effective date of July 1, 2022.

B. SECTION DIRECTORY:

Section 1. Amends s. 201.15, F.S., related to the distribution of taxes collected.

Section 2. Amends s. 259.105, F.S., related to the Florida Forever Act.

Section 3. Amends s. 375.041, F.S., related to the Land Acquisition Trust Fund.

Section 4. Amends s. 20.3315, F.S., related to the Florida Forever Program Trust Fund of the Florida Fish and Wildlife Conservation Commission.

- Section 5. Amends s. 253.027, F.S., related to emergency archaeological property acquisition.
Section 6. Amends s. 253.034, F.S., related to state-owned lands; uses.
Section 7. Amends s. 259.035, F.S., related to the Acquisition and Restoration Council.
Section 8. Amends s. 380.510, F.S., related to conditions of grants and loans.
Section 9. Amends s. 570.715, F.S., related to conservation easement acquisition procedures.
Section 10. Amends s. 589.065, F.S., related to the Florida Forever Program Trust Fund of DACS.
Section 11. Provides an effective date of July 1, 2022.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

The bill requires a minimum of the lesser of 40 percent or \$350 million from the Land Acquisition Trust Fund be deposited into the Florida Forever Trust Fund that would enable more bonding and increase debt for the state. The bill also prohibits funds from the Land Acquisition Trust Fund to be used for administrative costs in specified state agencies. This would have a \$28.9 million negative fiscal impact to the General Revenue Fund.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

There may be a positive fiscal impact on local governments from more grants being available through the increased Florida Forever funding.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

There may be a positive fiscal impact on the private sector from more grants being available through the increased Florida Forever funding.

D. FISCAL COMMENTS:

An increase in debt may alter the state's economic outlook.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to require counties or municipalities to spend funds or take action requiring the expenditure of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

None.