

HOUSE OF REPRESENTATIVES STAFF FINAL BILL ANALYSIS

BILL #: CS/HB 651 Navarre Beach Fire Rescue District, Santa Rosa County

SPONSOR(S): Local Administration & Veterans Affairs Subcommittee; Williamson

TIED BILLS: IDEN./SIM. BILLS:

FINAL HOUSE FLOOR ACTION: 110 Y's 3 N's **GOVERNOR'S ACTION:** Approved

SUMMARY ANALYSIS

CS/HB 651 passed the House on March 2, 2022, and subsequently passed the Senate on March 10, 2022.

Independent special fire control districts are a type of independent special district created by the Legislature for the purpose of providing fire suppression and related activities within the territorial jurisdiction of the district. Independent fire control districts are governed by both the "Uniform Special District Accountability Act" and the "Independent Special Fire Control District Act."

The bill creates the Navarre Beach Fire Rescue District (District), an independent special fire control district in Santa Rosa County. The bill provides that the act takes effect only upon approval by a majority vote of the qualified electors residing within the boundaries of the District. The bill provides a referendum question and requires the referendum to occur no later than December 31, 2022.

According to the Economic Impact Statement filed with the House, there is no anticipated cost for Fiscal Year (FY) 2022-23 or FY 2023-24 for the implementation, administration, and enforcement of the bill. The bill will result in approximately \$1.1 million in annual revenue for the District as the fees paid by those in the current municipal services benefits unit become special assessments imposed by the District.

The bill was approved by the Governor on June 24, 2022, ch. 2022-235, L.O.F., and will become effective upon the approval of a majority of the qualified electors voting in a referendum on or before December 31, 2022, except that sections 9 and 10 establishing the referendum became effective on June 24, 2022.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

Present Situation

Formation and Charter of an Independent Special District

A “special district” is a unit of local government created for a particular purpose, with jurisdiction to operate within a limited geographic boundary.¹ Special districts are created by general law,² special act,³ local ordinance,⁴ or rule of the Governor and Cabinet.⁵ A special district has only those powers expressly provided by, or reasonably implied from, the authority provided in the district’s charter. Special districts provide specific municipal services in addition to, or in place of, those provided by a municipality or county.⁶ A “dependent special district” is a special district subject to significant control by the governing body of a single county or municipality.⁷ An “independent special district” is any district that is not a dependent special district.⁸

Special districts do not possess “home rule” powers and may impose only those taxes, assessments, or fees authorized by special or general law. The special act creating an independent special district may provide for funding from a variety of sources while prohibiting others. For example, ad valorem tax authority is not mandatory for a special district.⁹

With the exception of community development districts,¹⁰ the charter for any new independent special district must include the minimum elements required by ch. 189, F.S.¹¹ Any special laws or general laws of local application relating to any special district may not:

- Create a special district with a district charter that does not conform to the minimum requirements in s. 189.031(3), F.S.;¹²
- Exempt district elections from the requirements of s. 189.04, F.S.;¹³
- Exempt a district from the requirements for bond referenda in s. 189.042, F.S.;¹⁴
- Exempt a district from certain requirements relating to¹⁵ issuing bonds if no referendum is required,¹⁶ requiring special district reports on public facilities,¹⁷ notice and reports of special district public meetings,¹⁸ or required reports, budgets, and audits;¹⁹ or

¹ See *Halifax Hospital Medical Center v. State of Fla., et al.*, 278 So. 3d 545, 547 (Fla. 2019).

² S. 189.031(3), F.S.

³ *Id.*

⁴ S. 189.02(1), F.S.

⁵ S. 190.005(1), F.S. See, generally, s. 189.012(6), F.S.

⁶ 2020– 2022 *Local Gov’t Formation Manual*, pp. 60-61, at

<https://myfloridahouse.gov/Sections/Documents/loaddoc.aspx?PublicationType=Committees&Committeeld=3117&Session=2021&DocumentType=General+Publications&FileName=2021-2022+Local+Government+Formation+Manual.pdf> (last accessed February 23, 2022).

⁷ S. 189.012(2), F.S. Types of such control include the county or municipality governing body acting as the district governing body, having the authority to appoint or remove at will district board members, or having final approval authority over the district’s budget.

⁸ S. 189.012(3), F.S.

⁹ Art. VII, s. 9(a), Fla. Const.

¹⁰ S. 189.0311, F.S. See s. 190.004, F.S. (providing that chapter 190, F.S., governs the functions and powers of independent community development districts).

¹¹ S. 189.031(1), F.S. Section 189.031(3), F.S., sets forth the minimum charter requirements for an independent special district.

¹² S. 189.031(2)(a), F.S.

¹³ S. 189.031(2)(b), F.S.

¹⁴ S. 189.031(2)(c), F.S.

¹⁵ S. 189.031(2)(d), F.S.

¹⁶ S. 189.051, F.S.

¹⁷ S. 189.08, F.S.

¹⁸ S. 189.015, F.S.

¹⁹ S. 189.016, F.S.

- Create a district for which a statement documenting specific required matters is not submitted to the Legislature.²⁰

The charter of a newly-created district must state whether it is dependent or independent.²¹ Charters of independent special districts must address and include a list of required provisions, including the purpose of the district, its geographical boundaries, taxing authority, bond authority, selection procedures for the members of its governing body, and the overall powers of the district.²²

Independent Fire Control Districts

An independent special fire control district is a type of independent special district created by the Legislature for the purpose of providing fire suppression and related activities within the territorial jurisdiction of the district.²³ The “Independent Special Fire Control District Act” (Act)²⁴ is intended to provide standards, direction, and procedures for greater uniformity in the operation and governance of these districts, including financing authority, fiscally-responsible service delivery, and election of members to the governing boards for greater public accountability.²⁵ The Act controls over more specific provisions in any special act or general law of local application creating an independent fire control district’s charter.²⁶ The Act requires every independent fire control district be governed by a five-member board²⁷ and provides for:

- General powers;²⁸
- Special powers;²⁹
- Authority and procedures for the assessment and collection of ad valorem taxes at a rate of no more than 3.75 mills;³⁰
- Authority and procedures for the imposition, levy, and collection of non-ad valorem assessments, charges, and impact fees;³¹ and
- Issuance of district bonds and evidences of debt.³²

Independent fire control districts are authorized to cooperate and contract with other governmental agencies to provide effective mutual aid, including exercising powers outside the district’s boundary in cooperation with another governmental agency that shares such powers in common with the district.³³

As a type of independent special district,³⁴ independent special fire control districts are subject to applicable provisions of ch. 189, F.S., the “Uniform Special District Accountability Act.”³⁵

²⁰ S. 189.031(2)(e), F.S. (providing that each required statement filed with the Legislature must include the purpose of the proposed district, the authority of the district, an explanation of why the district is the best alternative, and a resolution or official statement from the local general-government jurisdiction where the proposed district will be located stating the district is consistent with approved local planning and the local government does not object to creation of the district).

²¹ S. 189.031(5), F.S.

²² S. 189.031(3), F.S. (setting forth the minimum charter requirements).

²³ S. 191.003(5), F.S.

²⁴ Chapter 191, F.S.

²⁵ S. 191.002, F.S.

²⁶ S. 191.004, F.S. Provisions in other laws pertaining to district boundaries or geographical sub-districts for electing members to the governing board are excepted from this section. *Id.*

²⁷ S. 191.005(1)(a), F.S. A fire control district may continue to be governed by a three-member board if authorized by special act adopted in or after 1997.

²⁸ S. 191.006, F.S. (e.g. power to sue and be sued in the name of the district, the power to contract, and the power of eminent domain).

²⁹ S. 191.008, F.S.

³⁰ S. 191.006(14); 191.009(1), F.S.

³¹ Ss. 191.006(11), (15), 191.009(2)-(4), 191.011, F.S.

³² S. 191.012, F.S.

³³ S. 191.006(13), F.S.

³⁴ S. 191.014(1), F.S., providing that new districts are created by the Legislature pursuant to s. 189.031, F.S.

³⁵ S. 189.031, F.S.

Navarre Beach Fire Rescue

Navarre Beach is a community in unincorporated Santa Rosa County,³⁶ with a current population of 1,123,³⁷ located on a four-mile section of Santa Rosa Island and connected to the mainland by the Navarre Beach Causeway. The community currently receives fire control services from Navarre Beach Fire Rescue (NBFR), founded in 1990 as an all-volunteer force providing fire and rescue services. The department transitioned to a combined professional and volunteer force in 2004.³⁸ NBFR's personnel consists of a chief, a deputy chief, three captains, and six firefighters. The department has one fire engine, one 75-foot ladder truck, three four-wheel drive SUV's used for beach rescues, and two Jet-skis with rescue sleds.³⁹

NBFR is funded through a Municipal Services Benefit Unit (MSBU) of Santa Rosa County.⁴⁰ The MSBU collects assessments on landowners in Navarre Beach. The assessment rate for 2018-2019, and the total revenues and total costs of the fire department for Fiscal Year (FY) 2019 – 2021, are found below.

Navarre Beach Fire Department 2018-19 Assessment Rates⁴¹

Type of Land	Assessment Rate
Residential	\$500.00 per dwelling unit
Non-Residential	\$0.41 per sq. ft.
Vacant Land	\$63.00 per parcel

Navarre Beach Fire Department Revenue⁴²

Year	Revenue
2019	\$989,042.00
2020	\$1,007,515.00
2021 ⁴³	\$1,015,150.00

Navarre Beach Fire Department Expenses⁴⁴

Year	Expenses
2019	\$944,082.00
2020	\$953,523.00
2021 ⁴⁵	\$987,040.00

In the November 2020 general election, 70.13 percent of the voters in Navarre Beach approved a non-binding referendum to establish the Navarre Beach Fire Rescue District as an independent special fire control district.⁴⁶

³⁶ Santa Rosa Board of County Commissioners, *Master Plan for Santa Rosa County District 4*, p. 4-115, available at http://www.plan4district4.com/images/docs/sr_d4_mp_updated.pdf (last visited on February 23, 2022).

³⁷ Florida Demographics, *Navarre Beach Population*, available at <https://www.florida-demographics.com/navarre-beach-demographics> (last visited on February 23, 2022).

³⁸ Navarre Beach Fire Rescue, *NBFR ISFD Campaign Background*, available at <http://navarrebeachfire.org/sfd-campaign.html> (last visited on February 23, 2022).

³⁹ Navarre Beach Fire Rescue, *About Our Department*, available at <https://navarrebeachfire.org/about-us.html> (last visited on February 23, 2022).

⁴⁰ Santa Rosa County, Florida – Code of Ordinances Art. LXVII.

⁴¹ Santa Rosa County, *Navarre Beach Fire Department Fiscal Year 2018-19 Fire Assessment Rules*, available at <https://www.santarosa.fl.gov/DocumentCenter/View/1144/Final-FY-18-19-Navarre-Beach-Fire-Assessment-Rules?bidId=> (last visited on February 23, 2022).

⁴² Santa Rosa County Adopted Budget Fiscal Year 2022, p. 210, available at <https://www.santarosa.fl.gov/DocumentCenter/View/6071/FY22-ADOPTED-BUDGET> (last visited on February 23, 2022).

⁴³ As of May 1, 2021.

⁴⁴ *Supra* note 44.

⁴⁵ *Supra* note 45.

⁴⁶ Santa Rosa County Supervisor of Elections, *2020 General election Summary by Precinct*, p. 94, available at https://www.votesantarosa.com/Portals/SantaRosa/Documents/2020%20General%20Election/01_22_21%202020%20General%20Results%20by%20Precinct%20and%20Party.pdf?ver=Z7uXGoYqSj9t0ybUvVRf9Q%3d%3d (last visited on February 23, 2022).

Effect of Proposed Changes

The bill creates an independent special fire control district to be known as the Navarre Beach Fire Rescue District (District). The District is created for the purposes of providing fire control, fire prevention, emergency medical, rescue response, and public safety services to the Navarre Beach community. The bill describes the boundaries of the District and provides that the boundaries may be modified, extended, or enlarged upon approval or ratification by the Legislature.

The District is authorized to levy non-ad valorem assessments on the lands and real estate benefited by the act. The initial rates of non-ad valorem assessments may be levied up to the following maximum amounts:

- \$500.00 per dwelling unit for residential properties
- \$0.41 per sq. ft. for commercial properties
- 63.00 per parcel for vacant land

The District is authorized to exercise all other rights and powers regarding the levy and collection of additional non-ad valorem assessments as provided for under ch. 191, F.S.

The bill creates the Board of Commissioners of the Navarre Beach Fire Rescue District (Board). The Board consists of five commissioners and is elected, organized, and operates under ch. 191, F.S. Under the statute, the Board has the authority to levy ad valorem taxes on property within the District at a rate not exceeding 3.75 mills.

The bill provides for a referendum of qualified electors residing within the District to be held on or before December 31, 2022, to determine whether the bill will go into effect and the District created. The bill provides a ballot question for the referendum, which notes the non-ad valorem assessment rates currently imposed in the MSBU and that increases to assessments are limited by s. 191.009, F.S. Unless the majority of the electors in the affected area vote to approve creation of the District, the substance of the bill will not take effect.

According to the Economic Impact Statement filed with the House, there is no anticipated cost for FY 2022-23 or FY 2023-24 for the implementation, administration, and enforcement of the bill. The bill will result in approximately \$1.1 million in annual revenue for the District as the fees paid by those in the current municipal services benefits unit become special assessments imposed by the District.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

The bill will result in approximately \$1.1 million in annual revenue for the District.

2. Expenditures:

None.

C. ECONOMIC IMPACT STATEMENT FILED? Yes No

D. NOTICE PUBLISHED? Yes No

IF YES, WHEN? October 2, 2021.

WHERE? The *Navarre Press*, a weekly newspaper of general circulation published in Santa Rosa County, Florida.

E. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN? On or before December 31, 2022.