

HOUSE OF REPRESENTATIVES STAFF FINAL BILL ANALYSIS

BILL #: CS/HB 995 Sumter County

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

TIED BILLS: IDEN./SIM. BILLS:

FINAL HOUSE FLOOR ACTION: 116 Y's 0 N's **GOVERNOR'S ACTION:** Approved

SUMMARY ANALYSIS

CS/HB 995 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 Villages Independent Fire Control and Rescue District (District), an independent special fire control district in Sumter County. The bill provides that the act takes effect only upon approval by a majority vote of the qualified electors (those residing within the boundaries of the District) in a referendum held no later than December 31, 2022.

According to the Economic Impact Statement (EIS) filed with the House, the implementation, administration, and enforcement of the District will cost \$22,323,428 for Fiscal Year (FY) 2021-22 and \$28,890,958 for FY 2022-23. The EIS states that local and federal sources will fund the implementation, administration, and enforcement of the District in the amounts of \$24,810,239 for FY 2021-22 and \$31,867,663 for FY 2022-23.

The bill was approved by the Governor on June 24, 2022, ch. 2022-240, 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, 2023, 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 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 audits¹⁹; 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 visited on 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

The Villages

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.

Originally named Orange Blossom Gardens, the Villages were created and developed during the 1980s and early 1990s³⁶ and are comprised of 17 special purpose districts.³⁷ The Village Center Community Development District (VCCDD) was created in order to plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate, and maintain systems and facilities for:³⁸

- Parks and facilities for indoor and outdoor recreation, cultural, and educational uses;
- Control and elimination of mosquitoes and other arthropods of public health importance;
- Security; and
- Water mains and plugs for fire prevention and control.

VCCDD is governed by a five-member Board of Supervisors (Board). On October 6, 1998, the Board approved the formation of the Villages Public Safety Department (VPSD) within VCCDD.³⁹ VPSD has an interlocal agreement with Sumter County to provide emergency fire, dispatch, and medical services.⁴⁰ VCCDD is funded by Benefit Special Assessments.⁴¹ The current non-ad valorem assessment rate in Sumter County that contributes to VCCDD is \$124.00 per improved parcel.⁴²

The Economic Impact Statement (EIS) for the bill asserts that individuals of the proposed fire control district shall receive better coverage and response times for fire emergencies and emergency medical services. The most recent available fire emergency and emergency medical response times by VPSD in Sumter County, as well as VPSD budget information, are listed below.

Fire Emergency and Emergency Medical Services Response Times⁴³

Year	Total Fire Emergency Response Time (Rural)	Total Fire Emergency Response Time (Urban)	Total Emergency Medical Services Response Time (Rural)	Total Emergency Medical Services Response Time (Urban)
2018	13 minutes, 32 seconds	9 minutes, 3 seconds	14 minutes, 43 seconds	10 minutes, 20 seconds
2019	13 minutes, 22 seconds	8 minutes, 37 seconds	14 minutes, 30 seconds	9 minutes, 45 seconds
2020	12 minutes, 16 seconds	9 minutes, 15 seconds	14 minutes, 26 seconds	9 minutes, 30 seconds

³⁶ Inside the Bubble, *History of the Villages*, available at <https://www.insidethebubble.net/history-of-the-villages/> (last visited on February 23, 2022).

³⁷ The Villages Community Development Districts, *Welcome*, available at <https://www.districtgov.org/> (last visited on February 23, 2022).

³⁸ Town of Lady Lake, Ordinance No. 92-06.

³⁹ The Villages Community Development Districts, *Public Safety*, available at <https://www.districtgov.org/departments/Public-Safety/public-safety.aspx> (last visited on February 23, 2022).

⁴⁰ VPSD Fire Chief Edmund A. Cain and Deputy Fire Chief James Goodworth, *The Villages Public Safety Department*, available at <https://www.sumtercountyfl.gov/AgendaCenter/ViewFile/Item/18369?fileID=43743> (last visited on February 23, 2022).

⁴¹ Village Center Community Development District, Board of Supervisors, *FY21-22 Final Budget*, available at <https://www.districtgov.org/PDFView/PDFMeeting.aspx?id=20211028vc0101> (last visited on February 23, 2022).

⁴² Sumter County, *Fire Assessment Analysis*, available at <https://www.sumtercountyfl.gov/AgendaCenter/ViewFile/Item/17454?fileID=41442> (last visited on February 23, 2022).

⁴³ Board of County Commissioners FY2021-2022 Adopted Budget, *Sumter County Fire and EMS*, available at <https://county-sumter-fl-budget-book.cleargov.com/sumter-county/2022/departments/sumter-county-fire-and-ems> (last visited on February 23, 2022).

VPD Budget

Fiscal Year	Budget
2019-20 ⁴⁴	\$16,772,816.00
2020-21 ⁴⁵	\$19,560,052.00
2021-22 ⁴⁶	\$22,146,517.00

Effect of Proposed Changes

The bill creates an independent special fire control district to be known as the Villages Independent Fire Control and 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 residents within the boundaries provided by the bill. The bill describes the boundaries of the District and provides the boundaries may be modified, extended, or enlarged upon approval or ratification by the Legislature.

The District is authorized to hold and exercise all powers and duties set forth in chs. 189 and 191, F.S. The bill restricts the District's ad valorem taxing authority by requiring a majority of district electors voting in a referendum conducted by the Supervisor of Elections of Sumter County to approve the exercise of such authority. The District is authorized to exercise all other rights and powers regarding the levy and collection of additional non-ad valorem assessments as provided in ch. 191, F.S.

The bill creates the Board of Commissioners of the Villages Independent Fire Control and Rescue District (Fire Control Board). The Fire Control Board consists of five commissioners and is elected, organized, and operated under ch. 191, F.S. The initial members of the Fire Control Board will be appointed by the Governor, two members to serve two-year terms and three members to serve four-year terms, and thereafter elected by the voters of the District to four-year terms. Under the statute, the Fire Control Board has the authority to levy ad valorem taxes on property within the district at a rate not exceeding 3.75 mills, subject to the restriction that this authority may not be exercised without prior voter approval.

The bill provides for a referendum of qualified electors residing within the District to be held on or before December 31, 2023, to determine whether the bill will go into effect and the District created. The bill provides a ballot question for the referendum. The ballot question caps any ad valorem taxes at 1 mill and annual non-ad valorem assessments at \$124.00 per parcel plus \$0.75 per \$1,000 of value of improvements thereon. Unless the majority of the electors in the affected area vote to approve the creation of the District, the substance of the bill will not go into effect.

According to the Economic Impact Statement (EIS) filed with the House, the implementation, administration, and enforcement of the District will cost \$22,323,428 for Fiscal Year (FY) 2021-22 and \$28,890,958.00 for FY 2022-2023. The EIS states that local and federal⁴⁷ sources will fund the implementation, administration, and enforcement of the District in the amounts of \$24,810,239 for FY 2021-22 and \$31,867,663 for FY 2022-23.

⁴⁴ Village Center Community Development District, Board of Supervisors, *FY19-20 Final Budget*, available at <https://www.districtgov.org/PDFView/PDFMeeting.aspx?id=20201002vc0101> (last visited on February 23, 2022).

⁴⁵ Village Center Community Development District, Board of Supervisors, *FY20-21 Final Budget*, available at <https://www.districtgov.org/PDFView/PDFMeeting.aspx?id=20201002vc0102> (last visited on February 23, 2022).

⁴⁶ *Supra* note 41.

⁴⁷ The EIS states VPSD receives a federal grant, the SAFER grant, each year. The grant is to expire in Fiscal Year 2022-2023.

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 Economic Impact Statement (EIS) states that local and federal sources will fund the implementation, administration, and enforcement of the District in the amounts of \$24,810,239 for Fiscal Year (FY) 2021-22 and \$31,867,663 for FY 2022-23.

2. Expenditures:

The EIS states that the implementation, administration, and enforcement of the District will cost \$22,323,428 for FY 2021-22 and \$28,890,958 for FY 2022-2023.

C. ECONOMIC IMPACT STATEMENT FILED? Yes No

D. NOTICE PUBLISHED? Yes No

IF YES, WHEN? December 31, 2021.

WHERE? The *Daily Sun*, a newspaper in circulation in Sumter County, Florida.

E. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN? No later than December 31, 2023.