

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Appropriations

BILL: CS/CS/SB 1614

INTRODUCER: Appropriations Committee on Agriculture, Environment, and General Government;
Community Affairs Committee; and Senator Leek

SUBJECT: Local Government Funding

DATE: March 2, 2026

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Tolmich</u>	<u>Fleming</u>	<u>CA</u>	<u>Fav/CS</u>
2.	<u>Davis</u>	<u>Betta</u>	<u>AEG</u>	<u>Fav/CS</u>
3.	<u>Davis</u>	<u>Sadberry</u>	<u>AP</u>	<u>Pre-meeting</u>

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/CS/SB 1614 provides that a local governmental entity is not eligible to receive state funds through a local funding initiative request if such entity was subject to an audit directed by the Joint Legislative Auditing Committee (JLAC) within the one-year period preceding the date of the submission of such request. However, a local governmental entity that was subject to such an audit may be eligible to receive such funds upon submitting with its funding request an affirmation stating that it is no longer the subject of such audit. The bill requires JLAC to notify the chairs of each legislative appropriations committee upon voting to direct an audit of a local governmental entity.

The bill also removes a current provision of law that authorizes a local government to use excess funds received from enforcing the Florida Building Code for the construction of a building or structure that houses a local government's building code enforcement agency.

The bill has an indeterminate fiscal impact to state and local governments. See Section V., Fiscal Impact Statement.

The bill takes effect July 1, 2026.

II. Present Situation:

Joint Legislative Auditing Committee

The Joint Legislative Auditing Committee (JLAC) is established by the Joint Rules of the Florida Legislature¹ and its membership consists of between five and seven members appointed from each house.² The responsibilities of JLAC are broad and affect all areas of government in Florida and are designed to provide continuous oversight of government operations.³

Current law provides that JLAC may investigate any matter within the scope of an audit, review, or examination either completed or conducted by the Auditor General or the Office of Program Policy Analysis and Government accountability, and, in connection with such investigation, may exercise the powers of subpoena by law vested in a standing committee of the Legislature.⁴

Following a certain notification⁵ of the failure of a local governmental entity, district school board, charter school, or charter technical career center to comply with certain applicable laws,⁶ JLAC may schedule a hearing to determine if the entity should be subject to further state action.⁷

The Florida Building Code

In 1974, Florida adopted legislation requiring all local governments to adopt and enforce a minimum building code that would ensure that Florida's minimum standards were met. Local governments could choose from four separate model codes. The state's role was limited to adopting all or relevant parts of new editions of the four model codes. Local governments could amend and enforce their local codes, as they desired.⁸

In 1992, Hurricane Andrew demonstrated that Florida's system of local codes did not work. Hurricane Andrew easily destroyed those structures that were allegedly built according to the strongest code. The Governor eventually appointed a study commission to review the system of local codes and make recommendations for modernizing the system. The 1998 Legislature adopted the study's commission recommendations for a single state building code and enhanced the oversight role of the state over local code enforcement. The 2000 Legislature authorized implementation of the Florida Building Code (Building Code), and that first edition replaced all local codes on March 1, 2002.⁹ The current edition of the Building Code is the eighth edition, which is referred to as the 2023 Florida Building Code.¹⁰

¹ See Joint Rule 4, Florida Legislature, (2024-2026).

² Joint Rule 4.1(3), Florida Legislature, (2024-2026).

³ Online Sunshine, *Joint Legislative Auditing Committee*, available at: https://www.leg.state.fl.us/cgi-bin/View_Page.pl?File=about.cfm&Directory=committees/joint/Jcla/&Tab=committees (last visited February 18, 2026).

⁴ Section 11.40(1), F.S.

⁵ Such notification may be made by the Auditor General, Department of Financial Services, the Division of Bond Finance of the State Board of Administration, the Governor (or his or her designee), or the Commissioner of Education (or his or her designee). Section 11.40(2), F.S.

⁶ See ss. 11.45(5)-(7), 218.32(1), 218.38, and 218.503(3), F.S.

⁷ Section 11.40(2), F.S.

⁸ The Florida Building Commission Report to the 2006 Legislature, *Florida Department of Community Affairs*, p. 4, available at: http://www.floridabuilding.org/fbc/publications/2006_Legislature_Rpt_rev2.pdf (last visited Feb. 2, 2026).

⁹ *Id.*

¹⁰ Florida Building Commission Homepage, available at: <https://floridabuilding.org/c/default.aspx> (last visited Feb. 2, 2026).

Chapter 553, part IV, F.S., is known as the “Florida Building Codes Act” (Act). The purpose and intent of the Act is to provide a mechanism for the uniform adoption, updating, interpretation, and enforcement of a single, unified state building code. The Building Code must be applied, administered, and enforced uniformly and consistently from jurisdiction to jurisdiction.¹¹

Local Government Enforcement of the Florida Building Code

Current law permits local governing bodies to provide a schedule of reasonable fees in order to enforce the Florida Building Code.¹² Such fees, fines, or investment earnings related to the fees may only be used for carrying out the local government’s responsibilities in enforcing the building code, including, but not limited to, any process or enforcement related to obtaining or finalizing a building permit.¹³ When providing a schedule of reasonable fees, the total estimated annual revenue derived from fees, and the fines and investment earnings related to the fees, may not exceed the total annual costs of allowable activities.¹⁴ Any unexpected balances must be carried forward to future years for allowable activities or must be refunded at the discretion of the local government.¹⁵

A local government may not carry forward an amount exceeding the average of its operating budget for enforcing the Florida Building Code for the previous four fiscal years.¹⁶ Any amount exceeding this limit must be used for the following purposes:¹⁷

- Rebating and reducing fees;
- Upgrading technology hardware and software systems to enhance service delivery;
- Paying for the construction of a building or structure that houses a local government’s building code enforcement agency;¹⁸ or
- Providing training programs for building officials, inspectors, or plans examiners associated with the Florida Building Code.¹⁹

Legislative Appropriations Projects

Joint Rule 2.2(4)(a) of the Florida Legislature provides requirements for legislative appropriations projects. An appropriations project is a specific appropriation, proviso, or item on a conference committee spreadsheet agreed to by House and Senate conferees providing funding

¹¹ Section 553.72(1), F.S.

¹² Section 553.80(7)(a), F.S. Such enforcement of the Florida Building Code includes the direct costs and reasonable indirect costs associated with review of building plans, building inspections, reinspections, and building permit processing; building code enforcement; and fire inspections associated with new construction. It also may include training costs associated with the enforcement of the Florida Building Code and enforcement action pertaining to unlicensed contractor activity to the extent not funded by other user fees. Section 553.80(7)(a)1., F.S.

¹³ *Id.*

¹⁴ *Id.*

¹⁵ *Id.*

¹⁶ *Id.* The term “operating budget” does not include reserve amounts.

¹⁷ However, a local government that established, as of January 1, 2019, a Building Inspections Fund Advisory Board consisting of five members from the construction stakeholder community and carries an unexpected balance in excess of the average of its operating budget for the previous four fiscal years may continue to carry such excess funds forward upon the recommendation of the advisory board. Section 553.80(7)(a), F.S.

¹⁸ Excess funds used to construct such a building or structure must be designated for such purpose by the local government and may not be carried forward for more than four consecutive years. Section 553.80(7)(a)2., F.S.

¹⁹ Section 553.80(7)(a)2., F.S.

for specified purposes.²⁰ One such purpose of an appropriations project is to provide funding to a local government, private entity, or privately operated program.²¹ Funding requests are submitted by a member of the legislature via specified appropriations request forms, which require the requester to provide information such as the title of the project, the total cost of the project, and if the project requires funding over multiple years.²²

III. Effect of Proposed Changes:

Section 1 amends s. 11.40, F.S., to prohibit a local governmental entity²³ from receiving state funds through a local funding initiative request if such entity was subject to an audit directed by the Joint Legislative Auditing Committee (JLAC) within one year of requesting such funds (as measured from the date on which JLAC votes to direct the audit). However, a local governmental entity that was subject to such an audit may be eligible to receive such funds if, at the time of submission of the local funding initiative request to its legislative delegation, such entity includes an affirmation stating that it is no longer the subject of such audit. The bill also requires JLAC to notify the chairs of each legislative appropriations committee upon voting to direct an audit of a local governmental entity.

Section 2 amends s. 553.80, F.S., to remove a current provision of law authorizing a local government to use excess funds received from enforcing the Florida Building Code for the construction of a building or structure that houses a local government's building code enforcement agency. The bill also removes the requirement that excess funds used to construct certain authorized buildings or structures must be designated for such purposes by the local government and not allowed to be carried forward for more than four consecutive years.

The bill takes effect July 1, 2026.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

The bill does not appear to require counties and municipalities to expend funds or limit their authority to raise revenue or receive state-shared revenues as specified by Art. VII, s.18 of the State Constitution.

B. Public Records/Open Meetings Issues:

None.

²⁰ Joint Rule 2.2(4)(a), Florida Legislature (2024-2026).

²¹ *Id.*

²² See Florida House of Representatives Appropriations Project Request FY 26-27, available at: https://www.flhouse.gov/FileStores/Web/HouseContent/Approved/Web%20Site/projects_items/APR%20Fillable%20Form%20FY%202026-27.pdf (last visited Feb. 2, 2026).

²³ "Local governmental entity" means a county agency, municipality, tourist development council, county tourism promotion agency, or special district as defined in s. 189.012, F.S. The term does not include any housing authority established under ch. 421, F.S. See s. 11.45(1)(g), F.S.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

Single Subject

Article III, s. 6 of the State Constitution requires every law to “embrace but one subject and matter properly connected therewith, and the subject shall be briefly expressed in the title.” The purpose of this requirement is to prevent logrolling, which combines multiple unrelated measures in one bill in order to secure passage of a measure that is unlikely to pass on its own merits.²⁴ The Florida Supreme Court has held that the single subject clause contains three requirements: first, each law must embrace only one subject; second, the law may include any matter that properly connected with the subject; and third, the subject must be briefly expressed in the title.²⁵ The subject matter to consider when determining whether a bill embraces a single subject is the bill title’s subject, and the test is whether the bill is designed to accomplish separate objectives with no natural or logical connection to each other.²⁶

The bill is entitled an act “related to local government funding.” Section 1 pertains to future legislatures’ authority to fund local governments, while Section 2 pertains to the local expenditure of building code enforcement funds. These provisions may not bear the natural or logical connection required to meet the single subject requirement in the State Constitution.

Binding Future Legislatures

The general rule of law²⁷ is that one legislature cannot bind to limit or enlarge the powers of a subsequent legislature or inhibit it from amending or repealing any legislation so long as it does not act contrary to or inconsistently with any constitutional limitations on the legislative power in any given case.²⁸ The bill provides that a local governmental entity is not eligible to receive certain legislative appropriations under certain conditions. As legislative appropriations are conducted and committees are formed each year by a new legislature with equal stature to the previous, these provisions may not bind future legislatures beyond the requirements of the Florida Constitution.

²⁴ *Santos v. State*, 380 So.2d 1284 (Fla. 1980).

²⁵ *Franklin v. State*, 887 So. 1063, 1072 (Fla. 2004).

²⁶ See *Ex parte Knight*, 41 So. 786 (Fla. 1906); *Brd. of Public Instruction of Broward Cnty. v. Doran*, 224 So.2d 693 (Fla. 1969).

²⁷ See *Nue v. Miami Herald Publishing Co.*, 462 So. 2d 821 (Fla. 1985); *Internal Improvement Fund v. St. Johns River Co.*, 16 Fla. 531 (Fla. 1878); *Gonzales v. Sullivan*, 16 Fla. 791 (Fla. 1878).

²⁸ State of Florida’s Office of the Attorney General, *Postaudit Expenditures, Counties*, available at <https://www.myfloridalegal.com/ag-opinions/postaudit-expenditures-counties> (last visited Feb. 2, 2026).

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The bill has an indeterminate negative fiscal impact to local governmental entities that are no longer eligible to receive state funds through a local funding initiative request.

The bill requires the JLAC to notify the chairs of each legislative appropriations committee upon voting to direct an audit of a local governmental entity. The cost of which can be handled with existing resources.

VI. Technical Deficiencies:

None.

VII. Related Issues:

The bill provides that a local governmental entity is not eligible to receive state funds through a “local funding initiative request” if it has been subject to a Joint Legislative Audit Committee’s audit within the one-year period preceding the date of the submission of such request. The term “local funding initiative request” is not defined in the Florida Statutes, but appears to correspond to an “appropriations project,” as defined in Joint Rule 2.2(4)(a) of the Florida Legislature.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 553.80 and 11.40.

IX. Additional Information:**A. Committee Substitute – Statement of Substantial Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS/CS by Appropriations Committee on Agriculture, Environment, and General Government on February 18, 2026:

The committee substitute:

- Changes the relating to clause from “an act relating to the Florida Building Code” to “an act relating to local government funding.”
- Moves the audit provisions in the bill from s. 553.80, F.S., to s. 11.40, F.S., and provides additional specificity.
- Removes the requirement for legislative committees to submit a list of local governments subject to an audit to the presiding officers and the chairs of the

legislative appropriations committees. Instead, it requires JLAC to notify the chairs of each legislative appropriations committee upon voting to direct an audit of a local governmental entity.

CS by Community Affairs on February 3, 2026:

The committee substitute:

- Removes the provision of the bill that authorizes the expenditure of excess funds received from enforcing the Florida Building Code on the performance of necessary services or repairs to a stormwater management system.
- Removes a current law provision that authorizes a local government to use such excess funds for the construction of a building or structure that houses a local government's building code enforcement agency.
- Clarifies that a local government may not receive state funds through a local funding initiative request if the local government has been subject to a legislative committee's audit within one year after such request, or if the local government does not submit an affirmation with its local funding initiative request to its legislative delegation stating that it is no longer the subject of a state audit.

B. Amendments:

None.