

By Senator McClain

9-00417-26

2026932__

A bill to be entitled
An act relating to ad valorem tax revenue in fiscally
constrained counties; creating s. 218.137, F.S.;
requiring the Legislature to appropriate funds for a
specified purpose; requiring that such funds be
distributed in a specified manner; requiring specified
counties to apply for such distribution; providing
requirements for application; providing a specified
calculation to be used to determine funding; providing
for a reversion of funds in specified circumstances;
providing a contingent effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 218.137, Florida Statutes, is created to
read:

218.137 Offset for ad valorem tax revenue loss affecting
fiscally constrained counties.—

(1) Beginning in the 2027-2028 fiscal year, the Legislature
shall appropriate moneys to offset the reductions in ad valorem
tax revenue experienced by fiscally constrained counties, as
defined in s. 218.67(1), which occur as a direct result of the
implementation of the amendment to s. 3(a), Art. VII of the
State Constitution approved at the November 2026 general
election. The moneys appropriated for this purpose shall be
distributed in January of each fiscal year among the fiscally
constrained counties based on each county's proportion of the
total reduction in ad valorem tax revenue resulting from the
implementation of the amendment to s. 3(a), Art. VII of the

9-00417-26

2026932__

State Constitution.

(2) On or before November 15 of each year, each fiscally constrained county shall apply to the Department of Revenue to participate in the distribution of the appropriation and provide documentation supporting the county's estimated reduction in ad valorem tax revenue in the form and manner prescribed by the Department of Revenue. The documentation must include an estimate of the reduction in taxable value directly attributable to the amendment to s. 3(a), Art. VII of the State Constitution approved at the November 2026 general election for all county taxing jurisdictions within the county and must be prepared by the property appraiser in each fiscally constrained county. The documentation must also include the county millage rates applicable in all such jurisdictions for the current year and the prior year, rolled-back rates determined as provided in s. 200.065 for each county taxing jurisdiction, and maximum millage rates that could have been levied by majority vote pursuant to s. 200.065(5). For purposes of this section, each fiscally constrained county's reduction in ad valorem tax revenue shall be calculated as 95 percent of the estimated reduction in taxable value multiplied by the lesser of the 2026 applicable millage rate or the applicable millage rate for each county taxing jurisdiction in the current year. If a fiscally constrained county fails to apply for the distribution, its share shall revert to the fund from which the appropriation was made.

Section 2. This act shall take effect January 1, 2027, if the amendment to the State Constitution proposed by CS/HJR 1215, as adopted at the 2025 Regular Session, is approved at the next

9-00417-26

2026932__

59 general election or at an earlier special election specifically
60 authorized by law for that purpose.