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# **Government Efficiency & Accountability Council**

**Revised**

**Wednesday, March 7, 2007  
8:30 AM  
Morris Hall (17 HOB)**

# Council Meeting Notice

## HOUSE OF REPRESENTATIVES

Speaker Marco Rubio

### Government Efficiency & Accountability Council

**Start Date and Time:** Wednesday, March 07, 2007 08:30 am

**End Date and Time:** Wednesday, March 07, 2007 11:00 am

**Location:** Morris Hall (17 HOB)

**Duration:** 2.50 hrs

**Consideration of the following bill(s):**

HB 793 Idea Bank by Hasner

HB 795 Office of Public Inspector by Lopez-Cantera

**Consideration of the following proposed council bill(s):**

PCB GEAC 07-01 -- Ad Valorem Tax Millage

**Workshop on the following:**

Budget for the Department of the Lottery

Budget for the Department of Revenue

**NOTICE FINALIZED on 03/05/2007 16:02 by MXE**



**HOUSE OF REPRESENTATIVES STAFF ANALYSIS**

**BILL #:** HB 793  
**SPONSOR(S):** Hasner  
**TIED BILLS:**

Idea Bank

**IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Committee on Audit &amp; Performance</u>	<u>5 Y, 0 N</u>	<u>De La Paz</u>	<u>De La Paz</u>
2) <u>Government Efficiency &amp; Accountability Council</u>	<u></u>	<u>De La Paz</u>	<u>Cooper</u>
3) <u>Policy &amp; Budget Council</u>	<u></u>	<u></u>	<u></u>
4) <u></u>	<u></u>	<u></u>	<u></u>
5) <u></u>	<u></u>	<u></u>	<u></u>

**SUMMARY ANALYSIS**

HB 793 is an approach to implementing idea 100 from the book *100 Innovative Ideas For Florida's Future*. The bill establishes the National Idea Bank within the Department of Management Services (DMS). The bill requires DMS to create and maintain the Idea Bank on an Internet website with nationwide access. The website must provide a guided process for citizens and organizations to submit ideas. In addition, the bill provides that DMS must:

- Solicit and showcase successful ideas from across the nation on the website;
- Provide an annual list of top ideas received during the prior fiscal year;
- Organize and present all information to the public and to private organizations in a readily available, systematic and retrievable format; and
- Publicize the existence and use of the Idea Bank.

The bill also requires DMS to publish an annual report summarizing the ideas collected during the previous fiscal year. The report must also list the "top ideas" received and submit the report to the Governor, Speaker of the House of Representatives, and the President of the Senate by September 15<sup>th</sup> of each year. The report must also be posted on the Idea Bank website. The bill does not specify how DMS is to make some of the required determinations necessary to carry out certain aspects of their statutory responsibilities.

The bill provides for a \$1.1 million appropriation of recurring General Revenue funds for four fulltime positions within DMS to carry out the provisions of the act.

**Note:** The Committee on Audit & Performance adopted a strike-all amendment which substantially changed the bill. See Section IV of this analysis.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. HOUSE PRINCIPLES ANALYSIS:

It could be said that this bill provides a means for the promotion of potentially all of the House principles through its provision providing for a centralized location for the collection of policy ideas, and its requirement that initiatives and programs that have succeeded be documented. The extent to which the individual House principles of providing limited government, lower taxes, personal responsibility, safeguarding individual liberty, empowering families, and enhancing public security, are advanced as a result of this bill, will depend on the substance, objective and effectiveness of the individual idea proposals themselves which are subsequently implemented.

#### B. EFFECT OF PROPOSED CHANGES:

In September of 2005, then Speaker Designate Marco Rubio announced his plan to provide Floridians with a more direct role in proposing, determining and directing the development and implementation of public policy by the Florida Legislature. The plan called for the publication of a book entitled *100 Innovative Ideas For Florida's Future*. Prior to the Legislature's organizational session of 2006, numerous public meetings, called "Idearaisers," were held to propose, discuss and evaluate policy ideas which would be considered for inclusion in the book. In addition, an interactive website [www.100ideas.org](http://www.100ideas.org) was established for people to schedule their own idearaisers, submit their ideas for consideration, or review and comment on ideas submitted by others. The published book was released in November of 2006.

In order to continue the collection and development of ideas into the future for Florida as well as to others around the nation, a proposal for a National Idea Bank was included as Idea # 100 in the book. The book's statement of the problem addressed by the 100<sup>th</sup> idea states that "[t]here is a lack of civic involvement and no coordinated database of ideas."<sup>1</sup> The solution offered in the book was for Florida to create a nationwide, web-based "Idea Bank" to give people from both inside and outside of Florida an opportunity to submit their ideas, track their development and view a chronicle of successful policy proposals.

HB 793 is an approach to implementing idea 100. The bill establishes the National Idea Bank within the Department of Management Services (DMS). The bill requires DMS to create and maintain the Idea Bank on an Internet website with nationwide access. The website must provide a guided process for citizens and organizations to submit ideas. In addition, the bill provides that DMS must:

- Solicit and showcase successful ideas from across the nation on the website;
- Provide an annual list of top ideas received during the prior fiscal year;
- Organize and present all information to the public and to private organizations in a readily available, systematic and retrievable format; and
- Publicize the existence and use of the Idea Bank.

Finally, the bill requires DMS to publish an annual report summarizing the ideas collected during the previous fiscal year. The report must also list the "top ideas" received and submit the report to the Governor, Speaker of the House of Representatives, and the President of the Senate by September 15<sup>th</sup> of each year. The report must also be posted on the Idea Bank website

#### C. SECTION DIRECTORY:

**Section 1.** Creates the National Idea Bank within the Department of Management Services.

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<sup>1</sup> 100 Innovative Ideas For Florida's Future, at 168.  
STORAGE NAME: h0793b.GEAC.doc  
DATE: 3/5/2007

**Section 2.** Provides an appropriation.

**Section 3.** Provides and effective date.

**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:  
None.

2. Expenditures:

	2007-08
Department of Management Services	
Recurring expense:	
General Revenue Fund	\$1.1M
<hr/>	
Total Expense	
General Revenue Fund	\$1.1M
(4 FTEs)	

**C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

None.

**D. FISCAL COMMENTS:**

None.

**III. COMMENTS**

**A. CONSTITUTIONAL ISSUES:**

1. Applicability of Municipality/County Mandates Provision:

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

2. Other:

None.

**B. RULE-MAKING AUTHORITY:**

None.

#### C. DRAFTING ISSUES OR OTHER COMMENTS:

This bill requires the Department of Management Services to “solicit and showcase . . . successful ideas on the website.” In addition, DMS is directed to produce an annual list of the “top ideas” received during the previous fiscal year. The bill is not specific as to how DMS is to make the required determinations necessary to carry out these responsibilities. Without objective criteria, guidelines or specific instructions on how to make a qualitative determination of an idea’s success, especially when comparing one idea’s performance to another’s, the agency will either have to develop its own criteria for determining an idea’s success and comparative performance, or resolve each question subjectively. One possible alternative to a requirement of listing “top ideas,” for example, would be a requirement to list ideas which are the most frequently replicated in other states or jurisdictions.

#### D. STATEMENT OF THE SPONSOR

The sponsor has indicated his intention to waive providing a statement at this time.

### IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES

At the meeting of the Committee on Audit and Performance held on February 21, 2007, the committee adopted a strike-all amendment that removed the \$1.1 million appropriation from the bill. The amendment also moved the placement and responsibility of creating and maintaining the National Idea Bank from the Department of Management Services to the Legislative Committee on Intergovernmental Relations (LCIR). The amendment requires that the Idea Bank be operated from an Internet website operated by the Florida Legislature. In addition, the amendment addressed drafting issues identified in section III C of the analysis. The amendment requires the LCIR to solicit and showcase ideas submitted which subsequently become law or are otherwise successfully implemented. In addition, the amendment replaces the requirement to produce a list of “top ideas” with a requirement to produce a list of ideas that are the most frequently replicated by other jurisdictions and around Florida.

1                                   A bill to be entitled  
 2           An act relating to the Idea Bank; creating s. 282.40,  
 3           F.S.; creating the "National Idea Bank Act"; providing  
 4           intent; directing the Department of Management Services to  
 5           create, maintain, and publicize an Idea Bank on an  
 6           Internet website; providing access criteria for the  
 7           website; requiring the department to solicit and display  
 8           certain information on the website; directing the  
 9           department to organize and present information in a  
 10          systematic and retrievable format that is readily  
 11          available to citizens and organizations; directing the  
 12          department to make annual reports to the Governor and the  
 13          Legislature; providing an appropriation; providing an  
 14          effective date.

15  
 16   Be It Enacted by the Legislature of the State of Florida:

17  
 18           Section 1.   Section 282.40, Florida Statutes, is created to  
 19   read:

- 20           282.40 National Idea Bank.--  
 21           (1) This section may be cited as the "National Idea Bank  
 22           Act."  
 23           (2) It is the intent of the Legislature to provide a  
 24           central location for collecting ideas and documenting programs  
 25           and initiatives that have succeeded in governments and  
 26           organizations.  
 27           (3) The Department of Management Services shall:  
 28           (a) By January 1, 2008, create and maintain an "Idea Bank"



29 on an Internet website with nationwide access to carry out the  
 30 purposes of this section.

31 (b) Provide Internet access to citizens and organizations  
 32 and a guided process for submitting ideas.

33 (c) Solicit and showcase, on the website, successful ideas  
 34 from across the nation.

35 (d) Provide, on the website, an annual list of the top  
 36 ideas received during the prior fiscal year.

37 (e) Organize and present all information in a systematic  
 38 and retrievable format that is readily available to citizens as  
 39 well as public and private organizations.

40 (f) Publicize the existence and use of the Idea Bank.

41 (4) The department shall annually publish a report  
 42 summarizing the ideas received and collected during the previous  
 43 fiscal year and listing the top ideas received and shall submit  
 44 the report to the Governor, the President of the Senate, and the  
 45 Speaker of the House of Representatives by September 15 of each  
 46 year. The full report shall also be posted on the Idea Bank  
 47 website.

48 Section 2. For the 2007-2008 fiscal year, the sum of \$1.1  
 49 million in recurring revenue from the General Revenue Fund is  
 50 appropriated in a lump-sum category and four full-time  
 51 equivalent positions are authorized to the Department of  
 52 Management Services to carry out the provisions of this act.

53 Section 3. This act shall take effect July 1, 2007.

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

Bill No. HB 793

COUNCIL/COMMITTEE ACTION

ADOPTED	<u>Y</u> (Y/N)
ADOPTED AS AMENDED	___ (Y/N)
ADOPTED W/O OBJECTION	___ (Y/N)
FAILED TO ADOPT	___ (Y/N)
WITHDRAWN	___ (Y/N)
OTHER	_____

This amendment is traveling with bill, no action required

1 Council/Committee hearing bill: Government Efficiency &  
 2 Accountability Council  
 3 Committee on Audit & Performance offered the following:

**Amendment (with title amendment)**

6 Remove everything after the enacting clause and insert:

8 Section 1. Subsections (2) and (4) of section 11.70,  
 9 Florida Statutes, are amended to read:

10 11.70 Legislative Committee on Intergovernmental  
 11 Relations.--

12 (2) FINDINGS AND PURPOSE.--

13 (a) The Legislature finds and declares that there is a  
 14 need for an official body to:

15 1. Involve local and state officials in an advisory  
 16 capacity to the executive and legislative branches of state  
 17 government.

18 2. Study problems of the intergovernmental aspects of  
 19 governmental structure, finance, functional performance, and  
 20 relationships at the local, regional, state, and interstate  
 21 levels.

22 3. Recommend solutions to intergovernmental problems.

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

23 4. Establish a regular system of reporting to state and  
24 local public officials on the progress of Florida and its  
25 political subdivisions toward meeting their intergovernmental  
26 responsibilities.

27 5. Encourage and recommend methods of effective and  
28 efficient delivery of services at the state and local levels  
29 through services integration and combination of complementary  
30 services delivery functions.

31 6. Assume responsibilities for administering,  
32 coordinating, or providing intergovernmental services as may be  
33 required by the Legislature or Governor.

34 7. Provide the Legislature, the Governor, and other  
35 interested parties with advice on intergovernmental concerns.

36 8. Assume responsibilities for creating, maintaining and  
37 operating the National Idea Bank website created in s. 282.40.

38 (4) FUNCTIONS AND DUTIES.--The committee is authorized to:

39 (a) Serve as a forum for the discussion and study of  
40 intergovernmental problems.

41 (b) To the extent not otherwise provided by law, evaluate  
42 on a continuous basis the interrelationships among local,  
43 regional, state, interstate, and federal agencies in the  
44 provision of public services in Florida and, as appropriate,  
45 prepare studies and recommendations to improve organizational  
46 structure, operational efficiency, allocation of functional  
47 responsibilities, delivery of services, and related matters.

48 (c) Analyze the structure, functions, revenue  
49 requirements, and fiscal policies of the state and its political  
50 subdivisions; conduct studies of economic, administrative, tax,  
51 and revenue matters for all levels of state government; and make  
52 recommendations for improvement.

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

53 (d) Examine proposed and existing federal and state  
54 programs, assess their impact upon this state and its political  
55 subdivisions, and provide such assessments and recommendations,  
56 when appropriate, to the Legislature, the Governor, the Florida  
57 Congressional Delegation, or any other group, public or private,  
58 whose activities affect intergovernmental relations.

59 (e) Encourage and, when appropriate, coordinate studies  
60 relating to intergovernmental relations conducted by  
61 universities; state, local, and federal agencies; and research  
62 and consulting organizations.

63 (f) Review the recommendations of national commissions  
64 studying federal, state, and local government relationships and  
65 problems and assess their possible application to this state.

66 (g) Issue annual reports of its findings and  
67 recommendations to be transmitted to the Governor and the  
68 presiding officer of each house of the Legislature not less than  
69 60 days before the convening of each regular session of the  
70 Legislature. The reports must set forth the reasons and  
71 supporting data for each recommendation and must include draft  
72 legislation to implement the recommendations. Recommendations  
73 regarding economic and taxation issues must be accompanied by  
74 supportive analyses of economic data. The committee may issue  
75 special or interim reports on specific subjects.

76 (h) The committee may apply for, contract for, receive,  
77 and expend for its purposes any appropriations or grants from  
78 the state or its political subdivisions, the Federal Government,  
79 or any other source, public or private.

80 (i) As soon as practicable after the enactment or adoption  
81 of any new state program or increase in the level of services  
82 rendered in an existing program, which action substantially  
83 increases the expenditures of or reduces the revenue or revenue-

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

84 producing ability of counties or municipalities, the committee  
85 shall analyze the action. The committee shall send its analysis  
86 and report thereon to the Governor and presiding officers of the  
87 Legislature no later than 30 days before the convening of the  
88 next regular legislative session. Each analysis must include the  
89 committee's recommendation and its identification of new sources  
90 of revenue required to fund the increased cost of, or to offset  
91 the revenue loss incurred because of, the action.

92 (j) The committee shall consult with the President of the  
93 Senate and the Speaker of the House of Representatives in  
94 determining its priorities, and shall provide the standing  
95 committees of the Legislature assistance concerning  
96 intergovernmental issues.

97 (k) Carryout the responsibilities for creating,  
98 maintaining and operating the National Idea Bank website created  
99 in s. 282.40.

100 Section 2. Section 282.40, Florida Statutes, is created to  
101 read:

102 282.40 National Idea Bank.--

103 (1) This section may be cited as the "National Idea Bank  
104 Act."

105 (2) It is the intent of the Legislature to provide a  
106 central location for collecting ideas and documenting programs  
107 and initiatives that have succeeded in governments and  
108 organizations.

109 (3) The National Idea Bank is created and the Legislative  
110 Committee on Intergovernmental Relations shall:

111 (a) By January 1, 2008, create and maintain an "Idea Bank"  
112 on an Internet website operated by the Florida Legislature with  
113 nationwide access to carry out the purposes of this section.

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

114 (b) Provide Internet access to citizens and organizations  
115 and a guided process for submitting ideas.

116 (c) Solicit and showcase, on the website, ideas submitted  
117 which subsequently became law or were otherwise successfully  
118 implemented from across the nation.

119 (d) Provide, on the website, an annual list of the ideas  
120 that were most frequently replicated within Florida or in other  
121 jurisdictions across the United States.

122 (e) Organize and present all information in a systematic  
123 and retrievable format that is readily available to citizens as  
124 well as public and private organizations.

125 (f) Publicize the existence and use of the Idea Bank.

126 (4) The committee shall annually publish a report  
127 summarizing the ideas received and collected during the previous  
128 fiscal year and listing the ideas described in paragraph (d) and  
129 shall submit the report to the Governor, the President of the  
130 Senate, and the Speaker of the House of Representatives by  
131 September 15 of each year. The full report shall also be posted  
132 on the Idea Bank website.

133 Section 2. This act shall take effect July 1, 2007.

134  
135

136 ===== T I T L E A M E N D M E N T =====

137 Remove the entire title and insert:

138 A bill to be entitled

139 An act relating to the National Idea Bank; amending s.

140 11.70, F.S., relating to the Legislative Committee on

141 Intergovernmental Relations; creating s. 282.40, F.S.;

142 creating the "National Idea Bank Act"; providing intent;

143 directing the Legislative Committee on Intergovernmental

144 Relations to create, maintain, and publicize an Idea Bank

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

145 on an Internet website; providing access criteria for the  
146 website; requiring the committee to solicit and display  
147 certain information on the website; directing the  
148 committee to organize and present information in a  
149 systematic and retrievable format that is readily  
150 available to citizens and organizations; directing the  
151 department to make annual reports to the Governor and the  
152 Legislature; providing an appropriation; providing an  
153 effective date.  
154







## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** HB 795 Office of Public Inspector  
**SPONSOR(S):** Lopez-Cantera  
**TIED BILLS:** **IDEN./SIM. BILLS:**

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REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Committee on Audit &amp; Performance</u>	<u>5 Y, 0 N</u>	<u>Ferguson</u>	<u>De La Paz</u>
2) <u>Government Efficiency &amp; Accountability Council</u>	<u></u>	<u>Ferguson</u> 	<u>Cooper</u> 
3) <u>Policy &amp; Budget Council</u>	<u></u>	<u></u>	<u></u>
4) <u></u>	<u></u>	<u></u>	<u></u>
5) <u></u>	<u></u>	<u></u>	<u></u>

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### SUMMARY ANALYSIS

Currently, there is no public reporting of incidents relating to fraud, waste, and abuse that occur in Florida public schools.

HB 795 creates the Office of Public Inspector (OPI) in the Office of the Commissioner of Education. The OPI is responsible for gathering and reporting the following incidents:

- reported teacher abuse, molestation, and sex offenses;
- reported fraud in school construction and overpayments for school contracts;
- reported cases of teachers or noninstructional school district employees charged with driving under the influence of alcohol or controlled substances, theft, robbery, or FCAT cheating; and
- reported district school board, district school superintendent, or administrative personnel impropriety.

The OPI's report must list the above incidents by county and be made readily available to the public in a simple and easy to understand format via a website maintained by the Department of Education as well as printed form. The report must be updated on a weekly basis. The first weekly report is due by January 31, 2008.

HB 795 has an effective date of July 1, 2007.

Fiscal impact would be \$450,000 in recurring expenses based on a Public Inspector and two FTE's, including travel costs, to assist the Public Inspector.

**Note:** The Committee on Audit & Performance adopted a strike-all amendment which substantially changed the bill. See Section IV of this analysis.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. HOUSE PRINCIPLES ANALYSIS:

*Provides limited government*—HB 795 creates the Office of Public Inspector in the Office of the Commissioner of Education.

*Personal responsibility*—The OPI is responsible for gathering and reporting incidents of reported teacher abuse, molestation, and sex offenses; reported fraud in school construction and overpayments for school contracts; reported cases of teachers or noninstructional school district employees charged with driving under the influence of alcohol or controlled substances, theft, robbery, or FCAT cheating; and reported district school board, district school superintendent, or administrative personnel impropriety.

#### B. EFFECT OF PROPOSED CHANGES:

##### Current situation

The Office of the Inspector General, within the Office of the Commissioner of Education, is responsible for promoting accountability, efficiency, and effectiveness and detecting fraud and abuse within school districts. Allegations relating to waste, fraud, or financial mismanagement are handled at the district school board level unless the Commissioner of Education determines that a district school board is unwilling or unable to address substantiated allegations. In such instances, the Inspector General is required to conduct, coordinate, or request investigations into substantiated allegations relating to waste, fraud, or financial mismanagement within school districts.<sup>1</sup>

Currently, there is no public reporting of incidents relating to reported teacher abuse, molestation, and sex offenses; reported fraud in school construction and overpayments for school contracts; reported cases of teachers or noninstructional school district employees charged with driving under the influence of alcohol or controlled substances, theft, robbery, or FCAT cheating; and reported district school board, district school superintendent, or administrative personnel impropriety.

##### Proposed change

HB 795 creates the Office of Public Inspector (OPI) in the Office of the Commissioner of Education. The OPI is responsible for gathering and reporting information on the following incidents:

- reported<sup>2</sup> teacher abuse,<sup>3</sup> molestation,<sup>4</sup> and sex offenses,<sup>5</sup>
- reported fraud in school construction and overpayments for school contracts;
- reported cases of teachers or noninstructional school district employees charged<sup>6</sup> with driving under the influence of alcohol or controlled substances,<sup>7</sup> theft,<sup>8</sup> robbery,<sup>9</sup> or FCAT cheating; and

<sup>1</sup> Section 1001.20 (4) (e), F.S.

<sup>2</sup> “Reported” means any sworn complaint filed with any law enforcement agency, state attorney, public or private school, district school board, or the Inspector General, including any incident reported to law enforcement resulting in arrest.

<sup>3</sup> “Teacher abuse” means any violation under s. 827.03 or s. 827.04, F.S., or any similar law of another state or territory of the United States, committed by a teacher.

<sup>4</sup> “Molestation” means an offense under s. 800.04, F.S., or any similar law of another state or territory of the United States.

<sup>5</sup> “Sex offense” means any violation of s. 794.011, s. 794.05, s.800.02, s. 800.03, or s. 827.071, F.S., or any felony violation of Chapter 847, F.S., or any similar law of another state or territory of the United States.

<sup>6</sup> “Charged” means formally charged by information or indictment filed by a state attorney regardless of the final disposition.

<sup>7</sup> “Driving under the influence of alcohol or controlled substances” means an offense under s. 316.193, F.S., or any similar law of another state or territory of the United States.

<sup>8</sup> “Theft” means any offense described as a theft under chapter 812, F.S.

<sup>9</sup> “Robbery” means any robbery under s. 812.13, F.S., robbery by sudden snatching under s. 812.131, F.S., carjacking under s. 812.133, F.S., or home-invasion robbery under s. 812.135, F.S., or any similar law of another state or territory of the United States.

- reported district school board, district school superintendent, or administrative personnel impropriety.

In addition to the above listed incidents, the OPI must collaborate with the Inspector General, district school boards and other interested parties to identify incidents of reported district school board, district school superintendent, or administrative personnel impropriety; fraud in school construction; overpayments for school contracts; and FCAT cheating.

The OPI's report must list incidents by county and be made readily available to the public in a simple and easy to understand format developed by the OPI and posted on a website maintained by the Department of Education as well as printed form upon written request to the OPI. The report is for informational purposes only and must be updated on a weekly basis. The first weekly report is due by January 31, 2008.

The OPI must work cooperatively with, but independently of, the Inspector General and must not duplicate or carry out the responsibilities of the Inspector General as set forth in s. 1001.20 (4) (e), F.S.

#### C. SECTION DIRECTORY:

Section 1. Creates the Office of Public Inspector who is responsible for gathering and reporting incidents of fraud, waste, and abuse and occurrences of specified crimes by teachers and other school district employees.

Section 2. Provides an effective date of July 1, 2007.

### II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

#### A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

\$450,000 in recurring expenses based on a Public Inspector and two FTE's, including travel costs, to assist the Public Inspector.

#### B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

#### C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

#### D. FISCAL COMMENTS:

At the time this analysis was written, the Department of Education has not analyzed HB 795 for a fiscal impact.

### III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

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

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

D. STATEMENT OF THE SPONSOR

The bill sponsor has indicated his intention to waive providing a statement at this time.

**IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES**

On February 21, 2007 the Committee on Audit and Performance adopted a strike-all amendment. The amendment is an approach to implementing Idea 28 from the book *100 Innovative Ideas For Florida's Future*. The amendment greatly increases the autonomy and authority of the Office of the Inspector General (IG) under current statute and no longer requires creating the Office of Public Inspector; thus, eliminating the fiscal impact (\$450,000 in recurring expenses) under the original bill. The amendment does the following:

- Removes the Commissioner of Education's authority to appoint and remove the IG and vesting this authority with the State Board of Education.
- Provides the IG will operate independently of the Commissioner of Education and will be responsible for promoting accountability, efficiency, and effectiveness within school districts, charter schools, the Florida School for the Deaf and the Blind, community colleges, and state universities.
- Provides the IG with full discretion to investigate any complaint received from the general public and any complaints he or she determines to be substantiated and filed with a school district, charter school, Board of Trustees for the Florida School for the Deaf and the Blind, or a public postsecondary educational institution relating to fraud, waste, or financial mismanagement.
- Requires the IG to maintain a toll-free hotline for receiving reports of fraud, waste, or financial mismanagement. This phone number will be printed on the paychecks of all public school employees and will be prominently displayed on the Department of Education's website, along with information on how to file a complaint.
- Requires the IG to gather and report the following incidents: reported teacher abuse, molestation, and sex offenses; reported fraud in school construction and overpayments for school contracts; reported cases of teachers or noninstructional school district employees charged with driving under the influence of alcohol or controlled substances, theft, robbery, or FCAT cheating; and reported district school board, district school superintendent, or administrative personnel impropriety. The report must list incidents by county and be made readily available to the public in a simple and easy to understand format developed by the IG and posted on a website maintained by the Department of Education as well as printed form upon written request to the IG. The report is for informational purposes only and must be updated on a weekly basis. The first weekly report is due by January 31, 2008.
- Requires the IG to produce an annual report of the office's activities to include the following: annual number of complaints filed; number of unsubstantiated complaints; number of substantiated

complaints; listing of the number of complaints according to categories of waste, fraud, and financial mismanagement; and disposition of substantiated complaints. The annual report is due on January 31<sup>st</sup> of each year and must be distributed to the Governor, Speaker of the House of Representatives, and the President of the Senate.

1                                   A bill to be entitled  
 2           An act relating to the Office of Public Inspector;  
 3           creating s. 1001.15, F.S.; creating the Office of Public  
 4           Inspector in the Office of the Commissioner of Education;  
 5           providing duties to track and report incidents of fraud,  
 6           waste, and abuse and occurrences of specified crimes by  
 7           teachers or other school district employees; providing for  
 8           availability of weekly reports; providing definitions;  
 9           requiring collaboration to identify certain incidents;  
 10          providing an effective date.

11  
 12 Be It Enacted by the Legislature of the State of Florida:

13  
 14           Section 1. Section 1001.15, Florida Statutes, is created  
 15 to read:

16           1001.15 Office of Public Inspector.--

17           (1) It is the intent of the Legislature to create an  
 18 office within the Office of the Commissioner of Education to  
 19 track incidents of fraud, waste, and abuse that occur each year  
 20 in Florida public schools, to track the occurrence of selected  
 21 crimes committed by teachers, and to make that information  
 22 available to the public in a simple and easy to understand  
 23 format.

24           (2) There is created the Office of Public Inspector in the  
 25 Office of the Commissioner of Education. The Public Inspector  
 26 shall gather and report information on the following incidents  
 27 as defined in this section: reported teacher abuse, molestation,  
 28 and sex offenses; reported fraud in school construction and

29 overpayments for school contracts; reported cases of teachers or  
 30 noninstructional school district employees charged with driving  
 31 under the influence of alcohol or controlled substances, theft,  
 32 robbery, or FCAT cheating; and reported district school board,  
 33 district school superintendent, or administrative personnel  
 34 impropriety. The report must be in a simple and easy to  
 35 understand format to be developed by the Public Inspector and  
 36 shall be for informational tracking purposes only. The report,  
 37 which must be updated on a weekly basis, must list incidents by  
 38 county and be made readily available to the public through an  
 39 Internet website maintained by the Department of Education. The  
 40 report must also be available to the public in printed form upon  
 41 written request to the Office of Public Inspector. The Public  
 42 Inspector shall work cooperatively with, but independently of,  
 43 the Inspector General and shall not duplicate or carry out the  
 44 responsibilities of the Inspector General as set forth in s.  
 45 1001.20(4)(e).

46 (3) For purposes of gathering, tracking, and reporting the  
 47 incidents described in subsection (2), the following definitions  
 48 apply:

49 (a) "Charged" means formally charged by information or  
 50 indictment filed by a state attorney regardless of the final  
 51 disposition.

52 (b) "Driving under the influence of alcohol or controlled  
 53 substances" means an offense under s. 316.193 or similar law of  
 54 another state or territory of the United States.

55 (c) "Molestation" means an offense under s. 800.04 or  
 56 similar law of another state or territory of the United States.

57 (d) "Reported" means any sworn complaint filed with any  
 58 law enforcement agency, state attorney, public or private  
 59 school, district school board, or the Inspector General,  
 60 including any incident reported to law enforcement resulting in  
 61 arrest.

62 (e) "Robbery" means any robbery under s. 812.13, robbery  
 63 by sudden snatching under s. 812.131, carjacking under s.  
 64 812.133, or home-invasion robbery under s. 812.135, or any  
 65 similar law of another state or territory of the United States.

66 (f) "Sex offense" means any violation of s. 794.011, s.  
 67 794.05, s. 800.02, s. 800.03, or s. 827.071 or any felony  
 68 violation of chapter 847, or any similar law of another state or  
 69 territory of the United States.

70 (g) "Teacher abuse" means any violation under s. 827.03 or  
 71 s. 827.04, or any similar law of another state or territory of  
 72 the United States, committed by a teacher.

73 (h) "Theft" means any offense described as a theft under  
 74 chapter 812.

75 (4) In addition to the incidents defined in subsection  
 76 (3), the Public Inspector shall collaborate with the Inspector  
 77 General, district school boards, and other interested parties to  
 78 identify incidents of reported district school board, district  
 79 school superintendent, or administrative personnel impropriety;  
 80 fraud in school construction; overpayments for school contracts;  
 81 and FCAT cheating, for the purpose of inclusion of data  
 82 regarding such incidents in the Public Inspector's weekly  
 83 report.



HB 795

2007

84        (5) The first weekly report required under this section  
85        shall be due for publication by January 31, 2008.

86        Section 2. This act shall take effect July 1, 2007.

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Amendment No. (for drafter's use only)

Bill No. **HB 795**

COUNCIL/COMMITTEE ACTION

ADOPTED	<u>Y</u> (Y/N)
ADOPTED AS AMENDED	___ (Y/N)
ADOPTED W/O OBJECTION	___ (Y/N)
FAILED TO ADOPT	___ (Y/N)
WITHDRAWN	___ (Y/N)
OTHER	_____

**This amendment is traveling with bill, no action required**

1 Council/Committee hearing bill: Government Efficiency &  
 2 Accountability Council  
 3 Committee on Audit & Performance offered the following:  
 4

**Amendment (with title amendment)**

5  
 6 Remove everything after the enacting clause and insert:  
 7 Section 1. Subsection (3) of section 20.055, Florida  
 8 Statutes, is amended to read:

9 20.055 Agency inspectors general.--

10 (3) (a) 1. Except as provided in paragraph 2, the ~~The~~  
 11 inspector general shall be appointed by the agency head. For  
 12 agencies under the direction of the Governor, the appointment  
 13 shall be made after notifying the Governor in writing, at least  
 14 7 days prior to an offer of employment, of the agency head's  
 15 intention to hire the inspector general.

16 2. The inspector general established by the Department of  
 17 Education as provided in s. 1001.20(5) shall be appointed by the  
 18 State Board of Education. The appointment shall be made after  
 19 notifying the Governor in writing, at least 7 days prior to an  
 20 offer of employment, of the board's intention to hire the  
 21 inspector general.

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22 (b) Each inspector general shall report to and be under  
23 the general supervision of the agency head and shall not be  
24 subject to supervision by any other employee of the state  
25 agency. The inspector general shall be appointed without regard  
26 to political affiliation.

27 (c) An inspector general may be removed from office by the  
28 agency head, except that the inspector general established by  
29 the Department of Education as provided in s. 1001.20(5) may be  
30 removed by the State Board of Education. For agencies under the  
31 direction of the Governor, the agency head shall notify the  
32 Governor, in writing, of the intention to terminate the  
33 inspector general at least 7 days prior to the removal. For  
34 state agencies under the direction of the Governor and Cabinet,  
35 the agency head shall notify the Governor and Cabinet in writing  
36 of the intention to terminate the inspector general at least 7  
37 days prior to the removal.

38 (d) The agency head shall not prevent or prohibit the  
39 inspector general or director of auditing from initiating,  
40 carrying out, or completing any audit or investigation.

41 Section 2. Section 1001.02, Florida Statutes, is amended  
42 to read:

43 1001.02 General powers of State Board of Education.--

44 (1) The State Board of Education is the chief implementing  
45 and coordinating body of public education in Florida, and it  
46 shall focus on high-level policy decisions. It has authority to  
47 adopt rules pursuant to ss. 120.536(1) and 120.54 to implement  
48 the provisions of law conferring duties upon it for the  
49 improvement of the state system of K-20 public education. Except  
50 as otherwise provided herein, it may, as it finds appropriate,  
51 delegate its general powers to the Commissioner of Education or  
52 the directors of the divisions of the department.

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53 (2) The State Board of Education has the following duties:

54 (a) To adopt comprehensive educational objectives for  
55 public education.

56 (b) To adopt comprehensive long-range plans and short-  
57 range programs for the development of the state system of public  
58 education.

59 (c) To exercise general supervision over the divisions of  
60 the Department of Education as necessary to ensure coordination  
61 of educational plans and programs and resolve controversies and  
62 to minimize problems of articulation and student transfers, to  
63 ensure that students moving from one level of education to the  
64 next have acquired competencies necessary for satisfactory  
65 performance at that level, and to ensure maximum utilization of  
66 facilities.

67 (d) To adopt for state universities and community  
68 colleges, and from time to time modify, minimum and uniform  
69 standards of college-level communication and computation skills  
70 generally associated with successful performance and progression  
71 through the baccalaureate level and to identify college-  
72 preparatory high school coursework and postsecondary-level  
73 coursework that prepares students with the academic skills  
74 necessary to succeed in postsecondary education.

75 (e) To adopt and submit to the Governor and Legislature,  
76 on or before September 1 of each year, a coordinated K-20  
77 education budget that estimates the expenditure requirements for  
78 the State Board of Education, including the Department of  
79 Education, the Commissioner of Education, and all of the boards,  
80 institutions, agencies, and services under the general  
81 supervision of the State Board of Education for the ensuing  
82 fiscal year. Any program recommended by the State Board of

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83 Education which will require increases in state funding for more  
84 than 1 year must be presented in a multiyear budget plan.

85 (f) To hold meetings, transact business, keep records,  
86 adopt a seal, and perform such other duties as may be necessary  
87 for the enforcement of all laws and rules relating to the state  
88 system of public education.

89 (g) To approve plans for cooperating with the Federal  
90 Government.

91 (h) To approve plans for cooperating with other public  
92 agencies in the development of rules and in the enforcement of  
93 laws for which the state board and such agencies are jointly  
94 responsible.

95 (i) To review plans for cooperating with appropriate  
96 nonpublic agencies for the improvement of conditions relating to  
97 the welfare of schools.

98 (j) To create such subordinate advisory bodies as are  
99 required by law or as it finds necessary for the improvement of  
100 education.

101 (k) To constitute any education bodies or other structures  
102 as required by federal law.

103 (l) To assist in the economic development of the state by  
104 developing a state-level planning process to identify future  
105 training needs for industry, especially high-technology  
106 industry.

107 (m) To assist in the planning and economic development of  
108 the state by establishing a clearinghouse for information on  
109 educational programs of value to economic development.

110 (n) To adopt cohesive rules pursuant to ss. 120.536(1) and  
111 120.54, within statutory authority, for education systemwide  
112 issues.

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113 (o) To authorize the allocation of resources in accordance  
114 with law and rule.

115 (p) To contract with independent institutions accredited  
116 by an agency whose standards are comparable to the minimum  
117 standards required to operate a postsecondary educational  
118 institution at that level in the state. The purpose of the  
119 contract is to provide those educational programs and facilities  
120 which will meet needs unfulfilled by the state system of public  
121 postsecondary education.

122 (q) To recommend that a district school board take action  
123 consistent with the state board's decision relating to an appeal  
124 of a charter school application.

125 (r) To enforce systemwide education goals and policies.

126 (s) To establish a detailed procedure for the  
127 implementation and operation of a systemwide K-20 technology  
128 plan that is based on a common set of data definitions.

129 (t) To establish accountability standards for existing  
130 legislative performance goals, standards, and measures, and  
131 order the development of mechanisms to implement new legislative  
132 goals, standards, and measures.

133 (u) To adopt criteria and implementation plans for future  
134 growth issues, such as new colleges and universities and campus  
135 mergers, and to provide for cooperative agreements between and  
136 within public and private education sectors.

137 (v) To develop, and periodically review for adjustment, a  
138 coordinated 5-year plan for postsecondary enrollment and  
139 annually submit the plan to the Legislature.

140 (w) To approve a new program at the professional level or  
141 doctoral level, if:

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142 1. The university has taken into account the need and  
143 demand for the program, the university's mission, and similar  
144 program offerings by public and nonpublic counterparts.

145 2. The addition of the program will not alter the  
146 university's emphasis on undergraduate education.

147 (x) To review, and approve or disapprove, degree programs  
148 identified as unique pursuant to s. 1007.25.

149 (y) To recommend to the Legislature a plan for  
150 implementing block tuition programs and providing other  
151 incentives to encourage students to graduate within 4 years.

152 (3) The State Board of Education shall adopt rules to  
153 establish the criteria for assigning, reviewing, and removing  
154 limited-access status to an educational program. The State Board  
155 of Education shall monitor the extent of limited-access programs  
156 within the state universities and report to the Legislature  
157 admissions and enrollment data for limited-access programs. Such  
158 report shall be submitted annually by December 1 and shall  
159 assist in determining the potential need for academic program  
160 contracts with independent institutions pursuant to paragraph  
161 (2) (p). The report must specify, for each limited-access program  
162 within each institution, the following categories, by race and  
163 gender:

164 (a) The number of applicants.

165 (b) The number of applicants granted admission.

166 (c) The number of applicants who are granted admission and  
167 enroll.

168 (d) The number of applicants denied admission.

169 (e) The number of applicants neither granted admission nor  
170 denied admission.

171

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172 Each category must be reported for each term. Each category must  
173 be reported by type of student, including the following  
174 subcategories: native students, community college associate in  
175 arts degree transfer students, and other students. Each category  
176 and subcategory must further be reported according to the number  
177 of students who meet or exceed the minimum eligibility  
178 requirements for admission to the program and the number of  
179 students who do not meet or exceed the minimum eligibility  
180 requirements for admission to the program.

181 (4) The State Board of Education shall review, and approve  
182 or disapprove, baccalaureate-degree programs that exceed 120  
183 semester hours, after considering accreditation requirements,  
184 employment and earnings of graduates, comparative program  
185 lengths nationally, and comparisons with similar programs  
186 offered by independent institutions. By December 31 of each  
187 year, the State Board of Education must report to the  
188 Legislature any degrees in the state universities that require  
189 more than 120 hours, along with appropriate evidence of need. At  
190 least every 5 years, the State Board of Education must determine  
191 whether the programs still require more than the standard length  
192 of 120 hours.

193 (5) (a) The State Board of Education shall adopt a  
194 systemwide strategic plan that specifies goals and objectives  
195 for the state universities and community colleges. In developing  
196 this plan, the State Board of Education shall consider the role  
197 of individual public and independent institutions within the  
198 state. The plan shall provide for the roles of the universities  
199 and community colleges to be coordinated to best meet state  
200 needs and reflect cost-effective use of state resources. The  
201 strategic plan must clarify mission statements and identify  
202 degree programs to be offered at each university and community



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203 college in accordance with the objectives provided in this  
204 subsection. The systemwide strategic plan must cover a period of  
205 5 years, with modification of the program lists after 2 years.  
206 Development of each 5-year plan must be coordinated with and  
207 initiated after completion of the master plan. The systemwide  
208 and university and community college strategic plans must  
209 specifically include programs and procedures for responding to  
210 the educational needs of teachers and students in the public  
211 schools of this state. The state board shall submit a report to  
212 the President of the Senate and the Speaker of the House of  
213 Representatives upon modification of the system plan.

214 (b) The State Board of Education shall develop long-range  
215 plans and annual reports for financial aid in this state. The  
216 long-range plans shall establish goals and objectives for a  
217 comprehensive program of financial aid for Florida students and  
218 shall be updated every 5 years. The annual report shall include  
219 an assessment of progress made in achieving goals and objectives  
220 established in the long-range plans and recommendations for  
221 repealing or modifying existing financial aid programs or  
222 establishing new programs. A long-range plan shall be submitted  
223 by January 1, 2004, and every 5 years thereafter. An annual  
224 report shall be submitted on January 1, 2004, and in each  
225 successive year that a long-range plan is not submitted, to the  
226 President of the Senate and the Speaker of the House of  
227 Representatives.

228 (6) The State Board of Education shall coordinate the  
229 programs with the Council for Education Policy Research and  
230 Improvement, including doctoral programs. The programs shall be  
231 reviewed every 5 years or whenever the state board determines  
232 that the effectiveness or efficiency of a program is  
233 jeopardized. The State Board of Education shall define the

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234 indicators of quality and the criteria for program review for  
235 every program. Such indicators include need, student demand,  
236 industry-driven competencies for advanced technology and related  
237 programs, and resources available to support continuation. The  
238 results of the program reviews must be tied to the university  
239 and community college budget requests.

240 (7) The State Board of Education shall:

241 (a) Provide for each community college to offer  
242 educational training and service programs designed to meet the  
243 needs of both students and the communities served.

244 (b) Specify, by rule, procedures to be used by the boards  
245 of trustees in the annual evaluations of presidents and review  
246 the evaluations of presidents by the boards of trustees.

247 (c) Establish an effective information system that will  
248 provide composite data concerning the community colleges and  
249 state universities and ensure that special analyses and studies  
250 concerning the institutions are conducted, as necessary, for  
251 provision of accurate and cost-effective information concerning  
252 the institutions.

253 (d) Establish criteria for making recommendations for  
254 modifying district boundary lines for community colleges.

255 (e) Establish criteria for making recommendations  
256 concerning all proposals for the establishment of additional  
257 centers or campuses for community colleges and state  
258 universities.

259 (f) Examine the annual administrative review of each  
260 community college and state university.

261 (g) Specify, by rule, the degree program courses that may  
262 be taken by students concurrently enrolled in college-  
263 preparatory instruction.

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264 (h) Adopt and submit to the Legislature a 3-year list of  
265 priorities for fixed-capital-outlay projects.

266 (8) The State Board of Education is responsible for  
267 reviewing and administering the state program of support for the  
268 community colleges and, subject to existing law, shall establish  
269 the tuition and out-of-state fees for college-preparatory  
270 instruction and for credit instruction that may be counted  
271 toward an associate in arts degree, an associate in applied  
272 science degree, or an associate in science degree.

273 (9) The State Board of Education shall prescribe minimum  
274 standards, definitions, and guidelines for community colleges  
275 and state universities that will ensure the quality of  
276 education, coordination among the community colleges and state  
277 universities, and efficient progress toward accomplishing the  
278 community college and state university mission. At a minimum,  
279 these rules must address:

280 (a) Personnel.

281 (b) Contracting.

282 (c) Program offerings and classification, including  
283 college-level communication and computation skills associated  
284 with successful performance in college and with tests and other  
285 assessment procedures that measure student achievement of those  
286 skills. The performance measures must provide that students  
287 moving from one level of education to the next acquire the  
288 necessary competencies for that level.

289 (d) Provisions for curriculum development, graduation  
290 requirements, college calendars, and program service areas.  
291 These provisions must include rules that:

292 1. Provide for the award of an associate in arts degree to  
293 a student who successfully completes 60 semester credit hours at  
294 the community college.

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295 2. Require all of the credits accepted for the associate  
296 in arts degree to be in the statewide course numbering system as  
297 credits toward a baccalaureate degree offered by a state  
298 university.

299 3. Require no more than 36 semester credit hours in  
300 general education courses in the subject areas of communication,  
301 mathematics, social sciences, humanities, and natural sciences.  
302

303 The rules should encourage community colleges to enter into  
304 agreements with state universities that allow community college  
305 students to complete upper-division-level courses at a community  
306 college. An agreement may provide for concurrent enrollment at  
307 the community college and the state university and may authorize  
308 the community college to offer an upper-division-level course or  
309 distance learning.

310 (e) Student admissions, conduct and discipline,  
311 nonclassroom activities, and fees.

312 (f) Budgeting.

313 (g) Business and financial matters.

314 (h) Student services.

315 (i) Reports, surveys, and information systems, including  
316 forms and dates of submission.

317 (10) To appoint or remove the inspector general housed  
318 within the Office of the Commissioner of Education under s.  
319 1001.20(5). This power of the State Board of Education shall  
320 not be delegated to the Commissioner of Education or to the  
321 directors of the divisions of the Department of Education.

322 Section 3. Subsection (1) of section 1001.10, Florida  
323 Statutes, is amended to read:

324 1001.10 Commissioner of Education; general powers and  
325 duties.--The Commissioner of Education is the chief educational

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326 officer of the state and the sole custodian of the K-20 data  
327 warehouse, and is responsible for giving full assistance to the  
328 State Board of Education in enforcing compliance with the  
329 mission and goals of the seamless K-20 education system. To  
330 facilitate innovative practices and to allow local selection of  
331 educational methods, the State Board of Education may authorize  
332 the commissioner to waive, upon the request of a district school  
333 board, State Board of Education rules that relate to district  
334 school instruction and school operations, except those rules  
335 pertaining to civil rights, and student health, safety, and  
336 welfare. The Commissioner of Education is not authorized to  
337 grant waivers for any provisions in rule pertaining to the  
338 allocation and appropriation of state and local funds for public  
339 education; the election, compensation, and organization of  
340 school board members and superintendents; graduation and state  
341 accountability standards; financial reporting requirements;  
342 reporting of out-of-field teaching assignments under s. 1012.42;  
343 public meetings; public records; or due process hearings  
344 governed by chapter 120. No later than January 1 of each year,  
345 the commissioner shall report to the Legislature and the State  
346 Board of Education all approved waiver requests in the preceding  
347 year. Additionally, the commissioner has the following general  
348 powers and duties:

349 (1) To appoint staff necessary to carry out his or her  
350 powers and duties, except that the commissioner shall not have  
351 the power to appoint or remove the inspector general.

352

353 The commissioner's office shall operate all statewide functions  
354 necessary to support the State Board of Education and the K-20  
355 education system, including strategic planning and budget

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356 development, general administration, and assessment and  
357 accountability.

358 Section 4. Section 1001.20, Florida Statutes, is amended  
359 to read:

360 1001.20 Department under direction of state board.--

361 (1) The Department of Education shall be organized  
362 consistently with the requirements of s. 20.15, and shall act as  
363 an administrative and supervisory agency under the  
364 implementation direction of the State Board of Education.

365 (2) The department is to be located in the offices of the  
366 Commissioner of Education and shall assist in providing  
367 professional leadership and guidance and in carrying out the  
368 policies, procedures, and duties authorized by law or by the  
369 State Board of Education or found necessary by it to attain the  
370 purposes and objectives of this code.

371 (3) The Department of Education shall maintain an Office  
372 of the Commissioner of Education that includes the general areas  
373 of operation that are common to all delivery sectors, such as  
374 administration, communication, legal services, financial aid,  
375 and government and public relations, in order to increase  
376 efficiency, improve service delivery to students, and fully  
377 support the operational needs of the State Board of Education.

378 (4) The Department of Education shall establish the  
379 following offices within the Office of the Commissioner of  
380 Education which shall coordinate their activities with all other  
381 divisions and offices:

382 (a) Office of Technology and Information Services.--  
383 Responsible for developing a systemwide technology plan, making  
384 budget recommendations to the commissioner, providing data  
385 collection and management for the system, and coordinating  
386 services with other state, local, and private agencies. The

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387 office shall develop a method to address the need for a  
388 statewide approach to planning and operations of library and  
389 information services to achieve a single K-20 education system  
390 library information portal and a unified higher education  
391 library management system. The Florida Virtual School shall be  
392 administratively housed within the office.

393 (b) Office of Workforce and Economic Development.--  
394 Responsible for evaluating the role of each sector of education  
395 in Florida's workforce and economic development, assessing the  
396 specific work skills and variety of careers provided, and  
397 reporting to the State Board of Education the effectiveness of  
398 each sector.

399 (c) Office of Educational Facilities and SMART Schools  
400 Clearinghouse.--Responsible for validating all educational plant  
401 surveys and verifying Florida Inventory of School Houses (FISH)  
402 data. The office shall provide technical assistance to public  
403 school districts when requested.

404 (d) Office of Student Financial Assistance.--Responsible  
405 for providing access to and administering state and federal  
406 grants, scholarships, and loans to those students seeking  
407 financial assistance for postsecondary study pursuant to program  
408 criteria and eligibility requirements.

409 ~~(e) Office of Inspector General.--Organized using existing~~  
410 ~~resources and funds and responsible for promoting~~  
411 ~~accountability, efficiency, and effectiveness and detecting~~  
412 ~~fraud and abuse within school districts, the Florida School for~~  
413 ~~the Deaf and the Blind, community colleges, and state~~  
414 ~~universities in Florida. If the Commissioner of Education~~  
415 ~~determines that a district school board, the Board of Trustees~~  
416 ~~for the Florida School for the Deaf and the Blind, or a public~~  
417 ~~postsecondary educational institution board is unwilling or~~

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418 ~~unable to address substantiated allegations made by any person~~  
419 ~~relating to waste, fraud, or financial mismanagement, the office~~  
420 ~~shall conduct, coordinate, or request investigations into~~  
421 ~~substantiated allegations made by any person relating to waste,~~  
422 ~~fraud, or financial mismanagement within school districts, the~~  
423 ~~Florida School for the Deaf and the Blind, community colleges,~~  
424 ~~and state universities in Florida. The office shall have access~~  
425 ~~to all information and personnel necessary to perform its duties~~  
426 ~~and shall have all of its current powers, duties, and~~  
427 ~~responsibilities authorized in s. 20.055.~~

428 (5) Office of the Inspector General -

429 (a) The Department of Education shall establish the Office of  
430 the Inspector General to be located within the Office of the  
431 Commissioner of Education. The inspector general shall operate  
432 independently of the Commissioner of Education and shall be  
433 responsible for promoting accountability, efficiency, and  
434 effectiveness and detecting fraud and abuse within school  
435 districts, charter schools, the Florida School for the Deaf and  
436 the Blind, community colleges, and state universities in  
437 Florida.

438 (b) The inspector general has the following powers and duties:

439 1. The inspector general shall have full discretion to  
440 investigate any complaint received from the general public and  
441 any complaint he or she determines to be substantiated and filed  
442 with a district school board, charter school, Board of Trustees  
443 for the Florida School for the Deaf and the Blind, or a public  
444 postsecondary educational institution which has been made by any  
445 person related to allegations of waste, fraud, or financial  
446 mismanagement within school districts, charter schools, the  
447 Florida School for the Deaf and the Blind, community colleges,  
448 and state universities in Florida. Upon written notification to



HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

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449 a district school board, charter school, Board of Trustees for  
450 the Florida School for the Deaf and the Blind, or a public  
451 postsecondary educational institution board by the inspector  
452 general of his or her intention to conduct the investigation  
453 into the filed complaint, the notified party shall cease any  
454 pending investigation or inquiry into the matter and forward any  
455 and all notes, papers, documents, reports, witness or employee  
456 statements regardless of the manner stored or preserved, witness  
457 lists, and any other material obtained in response to the  
458 complaint, to the Office of the Inspector General within 15 days  
459 or at such other time as designated by the inspector general.  
460 There shall be a continuing duty on the part of any a district  
461 school board, charter school, Board of Trustees for the Florida  
462 School for the Deaf and the Blind, or a public postsecondary  
463 educational institution board to forward the material described  
464 in this subparagraph to the inspector general. The inspector  
465 general may, after initial review or preliminary inquiry,  
466 determine to return or forward any complaint that is the subject  
467 of inquiry by his office to a district school board, charter  
468 school, Board of Trustees for the Florida School for the Deaf  
469 and the Blind, or a public postsecondary educational institution  
470 board for purposes of further review and disposition as  
471 determined appropriate by the receiving party.

472 2. The inspector general shall have access to all information  
473 and personnel necessary to perform his or her duties and shall  
474 have all powers, duties, and responsibilities authorized in s.  
475 20.055.

476 3. The inspector general shall establish and maintain a toll  
477 free telephone line specifically designated as a hotline for the  
478 purpose of receiving complaints from the general public desiring  
479 to report incidents of waste, fraud or financial mismanagement

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480 within school districts, charter schools, the Florida School for  
481 the Deaf and the Blind, community colleges, and state  
482 universities in Florida. The telephone line shall be  
483 prominently displayed on an Internet webpage maintained by the  
484 Department of Education. The internet webpage shall inform the  
485 public of their right to file complaints directly through the  
486 Office of Inspector General and shall provide and explanation  
487 for the procedures to initiate and file a complaint.

488 4. The inspector general shall gather and report information on  
489 the following incidents as defined in this section: reported  
490 teacher abuse, molestation, and sex offenses; reported fraud in  
491 school construction and overpayments for school contracts;  
492 reported cases of teachers or noninstructional school district  
493 employees charged with driving under the influence of alcohol or  
494 controlled substances, theft, robbery, or FCAT cheating; and  
495 reported district school board, district school superintendent,  
496 or administrative personnel impropriety. The report must be in a  
497 simple and easy to understand format to be developed by the  
498 inspector general and shall be for informational tracking  
499 purposes only. The report must be updated on a weekly basis,  
500 list incidents by county, and be made readily available to the  
501 public through an Internet website maintained by the Department  
502 of Education. The report must also be available to the public in  
503 printed form upon written request to the inspector general. The  
504 first weekly report required under this paragraph shall be due  
505 for publication by January 31, 2008.

506 (c) For purposes of gathering, tracking, and reporting the  
507 incidents described in (b)4, the following definitions apply:

508 1. "Charged" means formally charged by information or  
509 indictment filed by a state attorney regardless of the final  
510 disposition.

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511 2. "Driving under the influence of alcohol or controlled  
512 substances" means an offense under s. 316.193 or similar law of  
513 another state or territory of the United States.

514 3. "Molestation" means an offense under s. 800.04 or  
515 similar law of another state or territory of the United States.

516 4. "Reported" means any sworn complaint filed with any law  
517 enforcement agency, state attorney, public or private school,  
518 district school board, or the Inspector General, including any  
519 incident reported to law enforcement resulting in arrest.

520 5. "Robbery" means any robbery under s. 812.13, robbery by  
521 sudden snatching under s. 812.131, carjacking under s. 812.133,  
522 or home-invasion robbery under s. 812.135, or any similar law of  
523 another state or territory of the United States.

524 6. "Sex offense" means any violation of s. 794.011, s.  
525 794.05, s. 800.02, s. 800.03, or s. 827.071 or any felony  
526 violation of chapter 847, or any similar law of another state or  
527 territory of the United States.

528 7. "Teacher abuse" means any violation under s. 827.03 or  
529 s. 827.04, or any similar law of another state or territory of  
530 the United States, committed by a teacher.

531 8. "Theft" means any offense described as a theft under  
532 chapter 812.

533

534 In addition, for purposes of the reporting requirements of (b)  
535 4, the inspector general shall collaborate with the district  
536 school boards, charter schools, and other interested parties to  
537 develop uniform criteria to identify and track incidents of  
538 reported district school board, district school superintendent,  
539 or administrative personnel impropriety; fraud in school  
540 construction; overpayments for school contracts; and FCAT  
541 cheating.

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542 (d) The inspector general shall compile an annual report on the  
543 activities of the office. The report shall include the annual  
544 number of complaints filed, number of substantiated complaints,  
545 number of unsubstantiated complaints, a listing of the number of  
546 complaints according to categories of waste, fraud and financial  
547 mismanagement, and disposition of substantiated complaints. The  
548 annual report shall be due on January 31<sup>st</sup> of each year and must  
549 be distributed to the Governor, Speaker of the House of  
550 Representatives and the President of the Senate.

551 Section 5. Subsection (16) of section 1002.33, Florida  
552 Statutes, is amended to read:

553 1002.33 Charter schools.--

554 (16) EXEMPTION FROM STATUTES.--

555 (a) A charter school shall operate in accordance with its  
556 charter and shall be exempt from all statutes in chapters 1000-  
557 1013. However, a charter school shall be in compliance with the  
558 following statutes in chapters 1000-1013:

559 1. Those statutes specifically applying to charter  
560 schools, including this section.

561 2. Those statutes pertaining to the student assessment  
562 program and school grading system.

563 3. Those statutes pertaining to the provision of services  
564 to students with disabilities.

565 4. Those statutes pertaining to civil rights, including s.  
566 1000.05, relating to discrimination.

567 5. Those statutes pertaining to student health, safety,  
568 and welfare.

569 (b) Additionally, a charter school shall be in compliance  
570 with the following statutes:

571 1. Section 286.011, relating to public meetings and  
572 records, public inspection, and criminal and civil penalties.

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573 2. Chapter 119, relating to public records.

574 (c) Charter schools shall be subject to inquiry and  
575 reporting requirements of s. 1001.20(5) by the inspector general  
576 to the same extent as all other schools of the K-20 educational  
577 system within school districts.

578 Section 6. Any employer of public school personnel shall  
579 include the following notice on the salary warrant, direct  
580 deposit statement, or other form of wage payment, of each  
581 employee: ALL EMPLOYEES OF THE PUBLIC SCHOOL SYSTEM MAY REPORT  
582 INCIDENTS OF WASTE, FRAUD AND ABUSE TO THE OFFICE OF THE  
583 INSPECTOR GENERAL AT 1-800-XXX-XXXX.

584 For purposes of this section "employer" means the chief  
585 financial officer for state employees of the Department of  
586 Education, district school systems, and charter schools. The  
587 telephone number to be included in the notice required in this  
588 section shall be the toll free telephone number established by  
589 the inspector general under s. 1001.20(5)(b)3.

590 Section 7. This act shall take effect July 1, 2007.

591  
592

593 ===== T I T L E A M E N D M E N T =====

594 Remove the entire title and insert:

595 A bill to be entitled  
596 An act relating to the Office of Inspector General;  
597 amending s. 20.055, F.S., amending s. 1001.20, F.S.,  
598 providing authority for the State Board of Education to  
599 appoint or remove the inspector general; amending s.  
600 1001.10, F.S., removing authority for the Commissioner of  
601 Education to appoint or remove the inspector general;  
602 amending s. 1001.20, F.S., relating to the authority of  
603 the inspector general, requiring the Department of

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604 Education to establish the Office of the Inspector  
605 General, providing that the inspector general shall  
606 operate independently of the Commissioner of Education,  
607 providing responsibilities, providing authority to the  
608 inspector general to investigate complaints received from  
609 the public and school districts, requiring public  
610 reporting and tracking of certain crimes and incidents of  
611 waste, fraud and abuse, defining terms required for  
612 reporting and tracking of certain types of complaints and  
613 criminal violations; amending s. 1002.33(16), F.S.,  
614 providing that charter schools shall be subject to inquiry  
615 and reporting requirements by the inspector general;  
616 requiring specific notice language to be placed on the pay  
617 statements or salary warrants of public school personnel;  
618 providing an effective date.

619



HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCB GEAC 07-01 Ad Valorem Tax Millage
SPONSOR(S): Government Efficiency & Accountability Council
TIED BILLS: IDEN./SIM. BILLS:

Table with 4 columns: REFERENCE, ACTION, ANALYST, STAFF DIRECTOR. Row 1: Orig. Comm.: Government Efficiency & Accountability Council, Levin, Cooper.

SUMMARY ANALYSIS

The property tax is the largest single tax revenue source for government in Florida, with \$30.5 billion levied in FY 2006 - 07. Property taxes have grown in recent years from \$16 billion in 2001 to \$30.5 billion in 2006.

PCB GEAC 07-01 creates s. 200.192, F.S., which establishes a roll-back in the millage limitation for ad valorem taxes levied by counties, municipalities, and special districts, including: independent special districts, dependent special districts, and municipal dependent special districts.

Effective July 1, 2007, ad valorem taxes may not be levied in excess of a millage rate equal to the rolled-back rate computed as if the rolled-back rate had been in effect beginning January 1, 2001 and had been continuously applied thereafter.

The bill creates new public advertising requirements in s. 200.065(3) (a), F.S., prior to final adoption of the annual tax levy by the taxing authority when the tax levy proposed is greater than the rolled-back rate.

The bill takes effect July 1, 2007 and would supply tax relief for Florida's ad valorem taxpayers beginning January 1, 2007.



## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. HOUSE PRINCIPLES ANALYSIS:

**Provide limited government:** The bill requires ad valorem taxes to be levied at a rolled-back rate. Adoption of a rolled-back rate will generally cause the taxing authority to have its revenues reduced to the millage in effect for January 1, 2001 plus an adjustment for the applicable Consumer Price Index.

**Ensure lower taxes:** The bill requires all taxing entities which levy ad valorem taxes to compute a tax rolled-back rate and to publish a "Notice of Proposed Tax Increase in Excess of the Millage Limitation" if the taxing authority proposes a levy in excess of the rolled-back rate as adjusted. The published notice will inform the taxpayers that unless the excess millage levy is adopted by a supermajority vote, the taxing authority may lose state revenue sharing.

#### B. EFFECT OF PROPOSED CHANGES:

##### PRESENT SITUATION:

##### Ad valorem taxation in Florida:

Constitutionally, ad valorem taxation is reserved to local government as a source of revenue. Local governments may levy ad valorem taxes subject to the following limitations:

- Ten mills for county purposes
- Ten mills for municipal purposes
- Ten mills for school purposes
- Millage fixed by law for a county furnishing municipal services
- Millage authorized by law and approved by voters for special districts<sup>1</sup>

The Florida Constitution provides two exceptions to the 10 mill cap. The exceptions include a voted debt service millage and a voted millage not to exceed a period of two years.

##### The financial importance of property taxes in Florida's total tax picture:

The property tax is the largest single tax revenue source for government in Florida, with \$30.5 billion levied in FY 2006 – 07.<sup>2</sup> Property taxes in Florida have grown rapidly in recent years from \$16 billion in 2001 to \$30.5 billion in 2006. Since FY 1999 – 00, property taxes have increased by 80 percent, compared to a total personal income growth of 39 percent and inflation plus population growth of 32 percent.

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<sup>1</sup> "Special district" means a special district as defined in s. 189.403(1), F.S. It is a local unit of special purpose, created by general law, special act, local ordinance, or by rule of the Governor and Cabinet. The term does not include a school district, a community college district, a special improvement district created pursuant to s. 285.17 [Indian reservations], municipal service taxing or benefit unit as specified in s. 125.01, F.S., or a board which provides electrical service and which is a political subdivision of a municipality or is part of a municipality.

"Dependent special district" means a special district as defined in s. 189.403(2), F.S.

"Independent special districts" are defined in s. 189.403(3), F.S., subject to the following limitations: downtown development authorities created prior to the 1968 Constitution; independent special districts levying millage for water management purposes pursuant to s. 9(b), Art. VII, Florida Constitution, and s. 125.01(1) (q) municipal service taxing or benefit units for any part or all of the unincorporated areas of the county.

<sup>2</sup> Property Tax Reform Committee: Preliminary Report and Recommendations. Presentation to the House Committee on State Affairs, January 24, 2007.

Difficulties which have emerged concerning ad valorem taxation:

Many assert that the increases in property taxes are not affordable. Extraordinary strength in the Florida real estate market has resulted in the rapid increase of assessed values for real property in Florida. The median house price soared 90% from July 2001 to July 2006.<sup>3</sup> The fair market value of real property has outstripped taxpayer’s growth in income. Large price increases have also been experienced in almost every segment of the Florida real estate market including non-homestead residential, commercial, and agricultural.

The Homestead Exemption is an amendment to the Florida Constitution, originally adopted in 1934 and effective beginning in 1935. The exemption is available to every person having title to Florida real estate and maintaining a permanent residence on the property. The original exemption amount was \$5000. Since 1982, the homestead exemption amount has been \$25,000 for all property tax levies.<sup>4</sup>

The Save Our Homes assessment growth limitation was added to the Constitution in 1992, although its limitations were effective with the 1995 tax roll. It provides that homestead assessed value may not exceed the lower of 3% or the change in percentage in the Consumer Price Index. Save Our Homes has suppressed the taxable value of homestead properties in Florida. In doing so, it has significantly shifted the tax burden away from homestead property and onto non-homestead residential and non-residential property.<sup>5</sup>

The Tax Foundation has devised a “State Business Tax Climate Index,” which is based on the principle that “the ideal tax system . . . is neutral to business activity.”<sup>6</sup> But the studies conducted by the Department of Revenue, the Office of Economic and Demographic Research, and the Property Tax Reform Committee all conclude that businesses are bearing an unequal share of the ad valorem tax burden. This tax burden may not be conducive to the growth of business in Florida. Indeed the sharp increases in ad valorem taxation on commercial property may discourage business activity in Florida. Several studies have found that commercial and industrial investment tends to be more responsive to tax rates than residential investment. This means that the increasing shift of the property tax burden to businesses may cause them to reduce or eliminate commercial investment – in some instances, leading them to investments in other states where the property taxes are less burdensome.<sup>7</sup>

Residential non-homestead property has also been experiencing sharp increases in ad valorem taxation. Owners of these properties are forced to raise rental rates to pay for the taxes. These increases in residential rent further exacerbate the need for more affordable housing in Florida. Higher rents also mean that it is more difficult for those in rental housing to save the funds necessary to purchase their own home.

Understanding millage and the roll back rate:

Unlike most taxes in the state of Florida, the ad valorem tax does not have a set rate. Instead, the tax rate, known as the millage rate, is determined by the taxing authority each year. This process begins

<sup>3</sup> Property Tax Reform Efforts An Update. Office of Economic and Demographic Research, January 11, 2007

<sup>4</sup> Florida’s Property Tax Structure: An Analysis of Save Our Homes and Truth in Millage Pursuant to Chapter 2006 – 311, L.O.F. Florida Department of Revenue. January 2, 2007.

<sup>5</sup>

	<u>Percent of Taxable Value</u>	
	<u>Current</u>	<u>Without Save Our Homes</u>
Homestead Property	32.1%	45.5%
Non-Homestead Property	34.5%	28.4%
Non-Residential Property	32.5%	26.1%

Source: Property Tax Reform Efforts An Update. Office of Economic and Demographic Research, January 11, 2007.

<sup>6</sup> Tax Foundation, “State Business Tax Climate Index” presentation to the Property Tax Reform Committee, September 20, 2006.

<sup>7</sup> Florida’s Property Tax Study Interim Report. Legislative Office of Economic and Demographic Research.

with the taxing authority considering its budget needs for the coming fiscal year. Then, on July 1, the taxing authority is given an estimate of the taxable value of the property upon which it shall be levying taxes. The taxing authority is also instructed on how to calculate the roll-back rate for the coming fiscal year.

The roll-back rate is the millage that would provide the same amount of taxes for the taxing authority that it had during the previous year, and it is computed exclusive of any new construction, major improvements to existing property, or boundary changes. Thus, levying the roll-back rate typically provides a jurisdiction with slightly higher revenues than it had the year before, even though the tax rate is lower than that of the previous year in most cases.

Under current law, if a taxing authority levies a tax rate in excess of the roll-back rate, the taxing authority must publish a notice of tax increase. Likewise the TRIM notice received by each taxpayer shows the difference between the taxes which would be due if the roll-back rate were levied and the taxes which would be due under the taxing authorities proposed budget. The intent of these measures was to help taxpayers know when the budgets of local taxing authorities were increasing. Because property values in most jurisdictions increase each year, multiplying the increased value by the same millage rate can result in large budget increases, even though the tax rate has remained the same. With the tremendous increases in value of real estate in Florida in recent years, local budgets have managed to grow greatly given the increase in property value while millage rates have remained the same or dropped.

#### The effect of rising real estate values on local government revenues:

Local governmental budgets have increased dramatically over the past few years. Because of the large increases in taxable value, it is frequently not necessary to increase the millage levied. But because of the increase in the value of the property, the taxpayer pays more taxes, even though the millage has remained the same. In general, local government tax rates have fallen, but the decreases in millage have not been sufficient to off-set the tremendous increase in just value.<sup>8</sup>

#### CHANGES PROPOSED BY THE BILL:

##### Establishing a reduced millage rate for FY 2007 - 2008:

PCB GEAC 01-07 tackles the problem of property tax increases by focusing on the tax rate rather than the value of the property subject to tax. Under the provisions of this bill, all taxing authorities would be required to levy a tax rate not in excess of the roll-back rate multiplied by a growth factor, the Consumer Price Index, which is intended to offset inflation. This limitation on the tax rate could only be exceeded by a super-majority vote of the levying body (which consists of at least a majority plus one, or two-thirds of the full membership of the governing body). If millage is levied in excess of this limitation without the requisite super-majority vote, the taxing authority will forfeit any revenue sharing dollars to which it might otherwise be entitled, for the following fiscal year.

Moreover, since taxing authorities have been benefiting from the remarkable increase in property taxes over recent years, the bill would further require that the maximum millage rate which could be levied by the taxing authority for the 2007 – 2008 tax year be based upon their budget for FY 2000 – 2001. These taxing authorities would be limited to levying that tax rate which would be permitted in FY 2007 – 2008 if the provisions limiting millage rates had been in effect during the intervening period.

##### Exceptions to the rolled-back rate:

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<sup>8</sup> In 2005, local governments as a whole levied tax rates approximately 11% above the rolled-back rate; in 2006 the number grew to over 14%. Property Tax Reform Efforts An Update. Office of Economic and Demographic Research, January 11, 2007

Ad valorem taxes levied by school districts, for the payment of bonds, or for periods not longer than 2 years following a vote of the electors are exempt from the rolled-back rate. Taxing authorities that have levied ad valorem taxes for less than 2 years are also exempt. Taxing authorities that began levying ad valorem taxes after January 1, 2001 may not levy ad valorem taxes in excess of the rolled back rate which is calculated beginning with the second full fiscal year in which the authority levied ad valorem taxes.

Publication requirements for a tax increase in excess of the rolled-back rate:

If a taxing authority proposes a tax levy in excess of the reduced millage rate permitted by s. 200.192 (1), F.S., the published public notification prior to a vote being taken on the levy must include a statement that unless the levy is passed by a supermajority vote, the taxing authority may lose state revenue sharing.

Penalties for failure to adhere to the millage limitations:

If a tax levy in excess of the reduced millage is approved by the governing body of the taxing entity without a supermajority vote, those entities eligible to receive revenue sharing will forfeit those revenues for the year in which the excess levy is approved.

Effects of the rolled-back rate:

The bill makes the new tax rate effective for FY 07 – 08, which will result in all Florida property owners seeing a reduction on the next property tax bill they receive. The estimated average statewide savings is 19% per property, although the amount will vary by county.<sup>9</sup>

C. SECTION DIRECTORY:

Section 1. Amends s. 200.065, F.S., to include a public notice provision that a taxing authority (other than a school district) which proposes a tax levy in excess of the millage limitation in s. 200.192, F.S., may lose state revenue sharing.

Section 2. Creates s. 200.192, F.S., which provides millage limitations for tax levies (other than those of school districts). Municipalities and counties which levy millage in excess of the roll-back rate without a supermajority (which consists of at least a majority plus one, or two-thirds of the full membership of the governing body) will be ineligible to participate in the local government half-cent tax distributions provided for in ss. 218.23(3) (e) and 218.60-218.66, F.S., during the fiscal year immediately following the adoption of the excess millage rate.

**II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

If counties or municipalities fail to adopt local ad valorem tax levies in excess of the millage limitations by less than a supermajority vote, these entities will not be permitted to participate in the local government half-cent sales tax distributions provided for in ss. 218.23(3) (e) and 218.60 – 218.66, F.S., during the fiscal year immediately following the adoption of the excess millage rate. These funds would remain in the state treasury, and state expenditures would be reduced.

<sup>9</sup> Meeting Packet of the House Policy and Budget Council for February 23, 2007 page 125.

## B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

### 1. Revenues:

Counties and municipalities would experience the loss of local government half-cent sales tax distributions provided for in ss. 218.23(3)(e) and 218.60 – 218.66, F.S., during the fiscal year immediately following the adoption of the excess millage rate. In FY 2004 – 05 distributions totaled \$1.59 billion.<sup>10</sup>

### 2. Expenditures:

Expenditures by counties and municipalities which fail to adopt local ad valorem tax levies in excess of the millage limitations by less than a supermajority vote will be decreased to the extent that local government half-cent sales tax distributions provided for in ss. 218.23(3) (e) and 218.60 – 218.66, F.S., will not be received and will not be available for expenditure.

## C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Taxpayers should receive ad valorem tax relief in FY 2007 – 2008. This will create a more favorable climate for business prosperity and expansion. As ad valorem tax rates decrease, there may be an increase in the stock of affordable housing. Decreases in ad valorem taxation should enable individuals to have greater disposable income as well.

## D. FISCAL COMMENTS:

None.

## III. COMMENTS

### A. CONSTITUTIONAL ISSUES:

#### 1. Applicability of Municipality/County Mandates Provision:

The mandates provision is inapplicable because this bill does not reduce the authority of municipalities and counties to raise total revenues over the levels which existed on February 1, 1989.

#### 2. Other:

A class action lawsuit was filed in February 2007 in the Leon County Circuit Court<sup>11</sup> which alleges that the taxes paid by non-resident owners of residential real property constitute a disproportionate share of the assessed ad valorem taxes. The lawsuit alleges that the tax burden has a chilling effect on decisions by citizens of the United States to own second homes in Florida and impedes their right to engage in interstate travel and commerce, all in violation of the “dormant commerce clause” of Article I, Section 8 of the United States Constitution and the equal protection clause of the 14<sup>th</sup> Amendment to the Constitution.

In *Reinish v. Clark*, 765 So. 2d 197 (FL 1DCA 2000) nonresident taxpayers brought an action challenging the constitutionality of the Florida state homestead tax. The District Court of Appeal for the First District of Florida affirmed the ruling of the Leon County circuit court. The court held that the exemption did not violate either the privileges and immunities clause of the Federal Constitution or the “dormant” commerce clause.

### B. RULE-MAKING AUTHORITY:

None.

<sup>10</sup> 2006 *Florida Tax Handbook*, p. 176.

<sup>11</sup> Case No. 37 2007 CA 000582 filed in the Circuit Court for the Second Judicial Circuit in and for Leon County, Florida.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

D. STATEMENT OF THE SPONSOR

No statement submitted.

**IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES**

PCB GEAC 07-01

Redraft - A

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A bill to be entitled  
 An act relating to ad valorem tax millage; creating s. 200.192, F.S.; providing ad valorem tax millage limitations; providing for exceeding the limitations under certain circumstances; prohibiting certain counties or municipalities from participating in certain local government half-cent sales tax distributions under certain circumstances; requiring forms of property appraisers to contain certain millage calculation instructions; providing for nonapplication to the millage of certain ad valorem tax levies; providing an effective date.

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

Section 1. Section 200.192, Florida Statutes, is created to read:

200.192 Millage limitation; exception; form; application.--

(1) Ad valorem taxes may not be levied in excess of a millage rate equal to the rolled-back rate as defined in s. 200.065, adjusted by the percentage change in the Consumer Price Index for all urban consumers, U.S. City Average, all items 1967=100, or successor reports for the 12-month period through June prior to the beginning of the fiscal year as initially reported by the United States Department of Labor, Bureau of Labor Statistics.

(2)(a) For the fiscal year beginning October 1, 2007, ad valorem taxes may not be levied in excess of the maximum millage rate that would have resulted from application of subsection (1) if subsection (1) had been in effect beginning January 1, 2001,

PCB GEAC 07-01

Redraft - A

YEAR

30 and had been applied each year up to and including the fiscal  
 31 year beginning October 1, 2006.

32 (b) A taxing authority created after January 1, 2001, may  
 33 not levy ad valorem taxes in excess of the maximum millage rate  
 34 that would have resulted from application of subsection (1) if  
 35 subsection (1) had been in effect in the second full fiscal year  
 36 of the authority's existence and had been applied up to and  
 37 including the fiscal year beginning October 1, 2006.

38 (3) Ad valorem taxes may be levied in excess of the  
 39 limitations provided in this section upon approval by the  
 40 affirmative vote of the greater of at least a majority plus one  
 41 or two-thirds of the full membership of the governing body  
 42 adopting the millage rate.

43 (4) A county or municipality that levies a millage rate in  
 44 excess of the maximum millage provided in this section without  
 45 complying with subsection (3) may not participate in the local  
 46 government half-cent sales tax distributions provided for in ss.  
 47 218.60-218.66 during the fiscal year immediately following the  
 48 adoption of the excess millage rate.

49 (5) The form provided to taxing authorities by the property  
 50 appraiser pursuant to s. 200.065(1) must include instructions to  
 51 each taxing authority describing the proper method of computing  
 52 the maximum millage described in subsections (1) and (2).

53 (6) This section does not apply to ad valorem taxes levied  
 54 by school districts, for the payment of bonds, or for periods not  
 55 longer than 2 years when authorized by a vote of the electors.

56 Section 2. This act shall take effect July 1, 2007.



## Property Tax Rate Reduction Proposal Estimated County Government Impacts

<b>County</b>	<b>Tax Rates (mills) (1)</b>			<b>Tax Amount (mil \$)</b>
	<b>Current</b>	<b>Proposed</b>	<b>% Diff</b>	
ALACHUA	10.469	7.949	-24%	-28.2
BAKER	8.459	6.256	-26%	-1.6
BAY	4.595	2.896	-37%	-29.8
BRADFORD	9.376	8.194	-13%	-1.0
BREVARD	6.358	4.485	-29%	-73.5
BROWARD	5.690	4.440	-22%	-198.0
CALHOUN	9.995	8.996	-10%	-0.3
CHARLOTTE	6.415	2.539	-60%	-94.1
CITRUS	7.124	5.589	-22%	-17.8
CLAY	8.760	7.208	-18%	-14.3
COLLIER	4.640	2.212	-52%	-187.0
COLUMBIA	8.864	7.272	-18%	-3.7
DESOTO	7.706	5.618	-27%	-3.7
DIXIE	12.633	6.361	-50%	-3.8
DUVAL	9.335	8.522	-9%	-42.7
ESCAMBIA	9.301	7.407	-20%	-27.8
FLAGLER	4.666	2.229	-52%	-26.6
FRANKLIN	3.844	1.497	-61%	-9.4
GADSDEN	10.000	8.994	-10%	-1.2
GILCHRIST	11.000	7.558	-31%	-2.0
GLADES	11.953	7.925	-34%	-2.7
GULF	5.625	2.880	-49%	-7.9
HAMILTON	10.009	9.030	-10%	-0.7
HARDEE	9.000	5.850	-35%	-4.6
HENDRY	6.500	5.424	-17%	-3.0
HERNANDO	9.315	6.742	-28%	-25.5
HIGHLANDS	8.500	5.650	-34%	-16.8
HILLSBOROUGH	10.258	8.015	-22%	-176.3
HOLMES	9.750	7.469	-23%	-0.9
INDIAN RIVER	5.360	4.213	-21%	-20.5
JACKSON	8.000	7.670	-4%	-0.4
JEFFERSON	10.000	7.981	-20%	-1.0
LAFAYETTE	10.000	8.243	-18%	-0.4
LAKE	6.616	4.069	-39%	-48.2
LEE	5.419	3.443	-36%	-177.2
LEON	8.490	7.163	-16%	-19.6
LEVY	7.900	4.785	-39%	-7.2
LIBERTY	10.000	6.046	-40%	-0.8
MADISON	9.250	7.701	-17%	-1.0
MANATEE	7.919	5.127	-35%	-85.4
MARION	7.420	6.320	-15%	-19.3
MARTIN	7.405	5.282	-29%	-45.4
MIAMI-DADE	8.264	5.386	-35%	-613.1
MONROE	3.116	2.593	-17%	-13.9
NASSAU	7.507	4.012	-47%	-25.4
OKALOOSA	3.650	2.631	-28%	-18.2

## Property Tax Rate Reduction Proposal Estimated County Government Impacts

<u>County</u>	<u>Tax Rates (mills) (1)</u>			<u>Tax Amount (mil \$)</u>
	<u>Current</u>	<u>Proposed</u>	<u>% Diff</u>	
OKEECHOBEE	5.847	4.903	-16%	-2.1
ORANGE	7.832	6.436	-18%	-128.8
OSCEOLA	6.800	3.816	-44%	-65.1
PALM BEACH	6.008	4.026	-33%	-319.1
PASCO	6.999	6.493	-7%	-13.1
PINELLAS	7.066	5.042	-29%	-152.9
POLK	8.806	6.215	-29%	-78.4
PUTNAM	9.921	7.129	-28%	-10.9
ST. JOHNS	6.989	4.043	-42%	-65.1
ST. LUCIE	7.925	4.696	-41%	-78.8
SANTA ROSA	6.617	5.059	-24%	-13.8
SARASOTA	4.190	2.927	-30%	-74.4
SEMINOLE	6.828	4.936	-28%	-56.2
SUMTER	6.386	5.878	-8%	-2.4
SUWANNEE	8.992	6.418	-29%	-4.0
TAYLOR	9.122	7.274	-20%	-2.4
UNION	10.499	9.566	-9%	-0.2
VOLUSIA	6.248	4.494	-28%	-66.8
WAKULLA	8.180	5.247	-36%	-4.2
WALTON	3.869	2.219	-43%	-26.8
WASHINGTON	8.500	4.976	-41%	-3.5
<b>STATEWIDE AGGREGATES</b>	<b>6.864</b>	<b>4.856</b>	<b>-29%</b>	<b>-3,270.8</b>

(1) County government tax rates include less-than-county-wide, county-purpose levies and municipal service taxing unit levies, which may result in displayed tax rates greater than 10. Levies for debt service are not included. This is an aggregate average tax rate, which equals total levies in the county divided by total county taxable value.



**Property Tax Rate Reduction Proposal  
Estimated Municipal Government Impacts**

County		Tax Rates (mills) (1)			Tax Amount (mil \$)
		Current	Proposed	% Diff	
ALACHUA	ALACHUA	5.500	4.522	-18%	-0.6
	ARCHER	4.750	2.973	-37%	-0.1
	GAINESVILLE	4.851	3.658	-25%	-5.9
	HAWTHORNE	6.500	4.025	-38%	-0.1
	HIGH SPRINGS	6.250	4.460	-29%	-0.4
	LACROSSE	2.461	2.555	4%	0.0
	MICANOPY	8.000	4.088	-49%	-0.1
	NEWBERRY	4.450	2.512	-44%	-0.4
	WALDO	5.031	3.897	-23%	0.0
BAKER	MACCLENNY	3.650	2.376	-35%	-0.2
BAY	LYNN HAVEN	3.250	2.546	-22%	-0.7
	MEXICO BEACH	3.350	0.987	-71%	-1.4
	PANAMA CITY OPERATING	4.172	3.580	-14%	-1.3
	CALLAWAY	2.000	1.623	-19%	-0.2
BRADFORD	CEDAR GROVE	1.500	1.268	-15%	0.0
	BROOKER	0.365	0.379	4%	0.0
	HAMPTON	0.276	0.287	4%	0.0
	LAWTEY	1.535	1.318	-14%	0.0
BREVARD	STARKE	4.000	3.440	-14%	-0.1
	CTIY OF COCOA	4.571	3.291	-28%	-1.5
	COCOA BEACH	3.580	2.779	-22%	-1.7
	INDIALANTIC	4.331	3.016	-30%	-0.5
	INDIAN HBR BCH	4.368	2.900	-34%	-1.3
	MALABAR	1.397	1.076	-23%	-0.1
	MELBOURNE - OPERATING	4.508	3.711	-18%	-3.7
	MELBOURNE BEACH	2.633	2.209	-16%	-0.2
	MELBOURNE VILLAGE	4.538	3.417	-25%	-0.1
	PALM BAY	4.600	3.739	-19%	-4.9
BROWARD	ROCKLEDGE	4.950	4.186	-15%	-1.1
	SATELLITE BEACH	5.900	4.000	-32%	-1.7
	TITUSVILLE	4.819	4.003	-17%	-1.7
	West Melbourne	1.590	1.650	4%	0.1
	COCONUT CREEK	5.341	3.304	-38%	-6.9
	COOPER CITY	5.400	3.957	-27%	-3.1
	CORAL SPRINGS	3.872	2.677	-31%	-11.4
	DANIA	6.068	3.795	-37%	-6.8
	DAVIE	4.988	3.249	-35%	-13.1
	DEERFIELD BEACH	5.825	3.406	-42%	-16.0
FORT LAUDERDALE	4.807	2.975	-38%	-52.0	
HALLANDALE	5.970	3.281	-45%	-11.3	
HILLSBORO BEACH	2.250	2.205	-2%	-0.1	
HOLLYWOOD	6.805	3.633	-47%	-40.2	
LAUDERDALE BY THE SEA	4.350	2.097	-52%	-4.8	
LAUDERDALE LAKES	6.401	3.022	-53%	-3.9	
LAUDERHILL	6.020	3.363	-44%	-7.1	
LAZYLAKES	3.474	1.948	-44%	0.0	
LIGHTHOUSE POINT	3.544	3.277	-8%	-0.5	
MARGATE	6.561	4.066	-38%	-7.5	
MIRAMAR	6.550	4.285	-35%	-18.9	
NORTH LAUDERDALE	6.429	3.339	-48%	-4.8	
PARKLAND	3.950	2.611	-34%	-4.1	
PEMBROKE PARK	8.500	5.572	-34%	-1.4	
PEMBROKE PINES	4.599	2.662	-42%	-20.6	
PLANTATION	4.589	2.741	-40%	-14.7	
POMPANO BEACH	3.725	2.412	-35%	-15.4	
OAKLAND PARK	5.582	2.976	-47%	-8.3	
SEA RANCH LAKES	6.950	4.821	-31%	-0.3	
SUNRISE	6.110	4.200	-31%	-11.6	
TAMARAC	6.222	3.782	-39%	-9.4	
WILTON MANORS	6.276	3.202	-49%	-3.3	
WESTON	1.524	1.013	-34%	-4.0	
SOUTHWEST RANCHES	3.000	1.901	-37%	-1.3	
WEST PARK	6.524	5.431	-17%	-0.6	

**Property Tax Rate Reduction Proposal  
Estimated Municipal Government Impacts**

County		Tax Rates (mills) (1)			Tax Amount (mil \$)
		Current	Proposed	% Diff	
CALHOUN	BLOUNTSTOWN	1.500	1.477	-2%	0.0
CHARLOTTE	PUNTA GORDA - OPERATING	2.177	1.434	-34%	-2.7
CITRUS	CRYSTAL RIVER	5.600	3.674	-34%	-1.0
	INVERNESS	4.875	4.002	-18%	-0.4
CLAY	GREEN COVE SPRINGS	2.600	2.019	-22%	-0.2
	KEYSTONE HEIGHTS	2.000	1.665	-17%	0.0
	ORANGE PARK	5.000	4.400	-12%	-0.3
COLLIER	EVERGLADES	2.081	1.603	-23%	-0.1
	NAPLES	1.245	0.648	-48%	-9.9
	MARCO ISLAND	1.245	0.669	-46%	-6.9
COLUMBIA	CITY OF LAKE CITY	3.555	3.028	-15%	-0.3
DESOTO	ARCADIA	8.165	6.853	-16%	-0.3
DIXIE	HORSESHOE BEACH	3.000	0.578	-81%	-0.2
	CROSS CITY	6.500	2.888	-56%	-0.1
DUVAL	ATLANTIC BEACH	2.997	2.159	-28%	-1.1
	BALDWIN	3.000	2.281	-24%	0.0
	JACKSONVILLE BEACH	3.907	2.496	-36%	-3.8
	NEPTUNE BEACH	2.900	1.881	-35%	-0.7
ESCAMBIA	CENTURY	0.764	0.793	4%	0.0
	PENSACOLA	4.950	4.091	-17%	-2.8
FLAGLER	BEVERLY BEACH	2.320	0.700	-70%	-0.1
	BUNNELL	5.900	2.716	-54%	-0.6
	FLAGLER BEACH	3.000	1.313	-56%	-1.6
	PALM COAST	3.250	1.597	-51%	-10.3
FRANKLIN	APALACHICOLA	6.250	3.685	-41%	-0.6
	CARRABELLE	5.000	1.372	-73%	-1.0
GADSDEN	CHATTAHOOCHEE	0.802	0.810	1%	0.0
	GREENSBORO	3.000	1.870	-38%	0.0
	GRETNA	4.236	1.645	-61%	0.0
	HAVANA	2.000	1.036	-48%	-0.1
	MIDWAY	3.216	3.034	-6%	0.0
	QUINCY	2.750	2.244	-18%	-0.1
GLADES	MOORE HAVEN	4.000	2.880	-28%	-0.1
GULF	PORT ST. JOE	3.990	3.317	-17%	-0.3
	WEWAHITCHKA	6.000	1.335	-78%	-0.2
HAMILTON	JASPER	4.747	3.801	-20%	0.0
	JENNINGS	1.377	1.430	4%	0.0
	WHITE SPRINGS	3.859	3.562	-8%	0.0
HARDEE	BOWLING GREEN	7.250	5.698	-21%	0.0
	WAUCHULA	5.020	3.600	-28%	-0.1
	ZOLFO SPRINGS	9.000	6.632	-26%	-0.1
HENDRY	CLEWISTON	5.634	4.443	-21%	-0.3
	LA BELLE	3.500	1.500	-57%	-0.5
HERNANDO	BROOKSVILLE	7.500	4.781	-36%	-1.3
	WEEKI WACHEE	2.390	0.807	-66%	0.0
HIGHLANDS	AVON PARK	7.500	6.803	-9%	-0.2
	LAKE PLACID	5.000	2.634	-47%	-0.4
	SEBRING	6.500	5.103	-21%	-0.9
HILLSBOROUGH	TAMPA	6.408	4.572	-29%	-49.4
	TEMPLE TERRACE	4.910	4.079	-17%	-1.2
	PLANT CITY	4.700	3.565	-24%	-2.2
HOLMES	ESTO	0.529	0.549	4%	0.0
	NOMA	1.097	1.138	4%	0.0
INDIAN RIVER	FELLSMERE	5.750	3.070	-47%	-0.3
	INDIAN RIVER SHORES	1.473	0.859	-42%	-1.6
	TOWN OF ORCHID	0.453	0.648	43%	0.1
	SEBASTIAN	3.052	2.669	-13%	-0.6
	VERO BEACH	2.143	0.983	-54%	-3.2
JACKSON	ALFORD	1.500	0.780	-48%	0.0
	CAMPBELLTON	2.000	1.860	-7%	0.0
	COTTONDALE	3.500	3.036	-13%	0.0
	GRACEVILLE	4.000	3.269	-18%	0.0
	GREENWOOD	1.000	0.897	-10%	0.0
	JACOB CITY	3.000	2.813	-6%	0.0
	MARIANNA	2.110	1.745	-17%	-0.1
	SNEADS	0.536	0.557	4%	0.0

**Property Tax Rate Reduction Proposal  
Estimated Municipal Government Impacts**

County		Tax Rates (mills) (1)			Tax Amount (mil \$)
		Current	Proposed	% Diff	
JEFFERSON	MONTICELLO	7.000	5.489	-22%	-0.1
LAFAYETTE	MAYO	2.500	1.676	-33%	0.0
LAKE	ASTATULA	4.500	1.480	-67%	0.0
	CLERMONT	3.729	2.289	-39%	-2.9
	EUSTIS	5.500	4.002	-27%	-1.4
	FRUITLAND PARK	4.390	2.875	-35%	-0.2
	GROVELAND	5.650	3.412	-40%	-0.9
	HOWEY IN THE HILLS	5.445	4.194	-23%	-0.1
	LADY LAKE	2.200	1.639	-25%	-0.5
	LEESBURG	4.500	3.457	-23%	-1.4
	MASCOTTE	5.999	3.171	-47%	-0.5
	MINNEOLA	4.150	2.166	-48%	-1.0
	MONTVERDE	2.990	1.951	-35%	-0.1
	MOUNT DORA	5.975	4.732	-21%	-1.1
	TAVARES	5.420	3.403	-37%	-1.5
	UMATILLA	6.240	4.258	-32%	-0.2
LEE	CAPE CORAL	4.879	1.899	-61%	-64.6
	FORT MYERS	6.800	3.427	-50%	-20.0
	SANIBEL	2.500	1.163	-53%	-6.7
	TOWN OF FORT MYERS BEACH	0.610	0.518	-15%	-0.3
	CITY OF BONITA SPRINGS	0.792	0.697	-12%	-0.9
LEON	TALLAHASSEE	3.700	2.474	-33%	-12.4
LEVY	BRONSON	3.200	2.016	-37%	0.0
	CEDAR KEY	3.125	0.818	-74%	-0.6
	CHIEFLAND	4.939	3.621	-27%	-0.2
	INGLIS	4.500	2.250	-50%	-0.2
	OTTER CREEK	3.000	1.944	-35%	0.0
	WILLISTON	5.500	2.369	-57%	-0.4
	YANKEETOWN	1.500	0.682	-55%	-0.1
	FANNING SPRINGS	2.000	1.189	-41%	0.0
LIBERTY	BRISTOL	3.000	1.985	-34%	0.0
MADISON	GREENVILLE	9.210	9.638	5%	0.0
	LEE	6.670	5.300	-21%	0.0
	MADISON	7.000	5.720	-18%	-0.1
MANATEE	ANNA MARIE	2.000	0.909	-55%	-0.8
	BRADENTON	4.750	2.881	-39%	-6.1
	BRADENTON BEACH	2.488	0.998	-60%	-1.0
	HOLMES BEACH	1.800	0.996	-45%	-1.3
	PALMETTO	5.165	2.629	-49%	-2.2
MARION	BELLEVIEW	3.819	2.965	-22%	-0.2
	DUNNELLON	6.500	4.085	-37%	-0.4
	MCINTOSH	1.054	1.094	4%	0.0
	OCALA BASIC	5.676	4.303	-24%	-5.2
MARTIN	JUPITER ISLAND	2.249	1.811	-19%	-0.8
	OCEAN BREEZE PARK	3.482	2.495	-28%	0.0
	SEWALL'S POINT	2.400	1.202	-50%	-0.8
	STUART	5.100	2.279	-55%	-6.0
MIAMI-DADE	BAL HARBOR VILLAGE	2.902	1.853	-36%	-2.3
	BAY HAROUR ISLAND	4.750	2.263	-52%	-1.9
	BISCAYNE PARK	9.200	4.585	-50%	-0.9
	CORAL GABLES	6.150	3.391	-45%	-32.4
	EL PORTAL	8.700	3.488	-60%	-0.6
	FLORIDA CITY	8.900	3.960	-56%	-2.8
	GOLDEN BEACH	8.590	4.687	-45%	-2.4
	HIALEAH	6.800	4.719	-31%	-19.5
	HIALEAH GARDENS	6.120	3.725	-39%	-2.7
	HOMESTEAD OPERATING	6.250	3.497	-44%	-8.0
	INDIAN CREEK	8.250	5.313	-36%	-1.0
	ISLANDIA	8.193	8.279	1%	0.0
	MEDLEY	6.900	4.060	-41%	-4.5
	MIAMI	8.375	4.643	-45%	-123.3
	NORTH MIAMI	8.300	4.441	-46%	-10.6
	SOUTH MIAMI	5.881	4.020	-32%	-2.6
	WEST MIAMI	8.495	4.989	-41%	-1.3
	MIAMI BEACH	7.374	3.602	-51%	-84.3
	NORTH MIAMI BEACH	7.500	4.123	-45%	-7.9
	MIAMI SPRINGS	7.500	5.056	-33%	-2.4
MIAMI SHORES	8.250	4.904	-41%	-2.8	

**Property Tax Rate Reduction Proposal  
Estimated Municipal Government Impacts**

County		Tax Rates (mills) (1)			Tax Amount (mil \$)	
		Current	Proposed	% Diff		
MIAMI-DADE (CONTINUED)	NORTH BAY VILLAGE	4.978	2.533	-49%	-1.7	
	OPA-LOCKA	9.800	6.173	-37%	-2.8	
	SWEETWATER	3.949	2.227	-44%	-0.7	
	SURFSIDE	5.600	2.734	-51%	-3.9	
	VIRGINIA GARDENS	4.600	3.205	-30%	-0.3	
	KEY BISCAYNE	3.450	2.154	-38%	-7.3	
	AVENTURA OPERATING	2.227	1.519	-32%	-5.7	
	PINECREST OPERATING	2.400	1.452	-40%	-3.3	
	SUNNY ISLES OPERATING	2.950	1.280	-57%	-8.1	
	TOWN OF MIAMI LAKES	2.740	2.078	-24%	-1.9	
	VILLAGE OF PALMETTO BAY	2.374	1.915	-19%	-1.2	
	CITY OF DORAL	2.447	1.861	-24%	-5.2	
	CITY OF MIAMI GARDENS	5.149	2.903	-44%	-8.7	
MONROE	KEY COLONY	1.237	1.177	-5%	-0.1	
	KEY WEST	2.303	1.882	-18%	-2.8	
	LAYTON	1.100	0.659	-40%	0.0	
	CITY OF ISLAMORADA VILL OF IS.	1.950	1.239	-36%	-2.6	
	MARATHON	1.790	1.263	-29%	-1.5	
NASSAU	CALLAHAN	2.750	2.494	-9%	0.0	
	FERNANDINA BEACH	4.148	4.044	-3%	-0.2	
	HILLIARD	0.502	0.521	4%	0.0	
OKALOOSA	CINCO BAYOU	2.300	1.590	-31%	0.0	
	CRESTVIEW	6.499	4.470	-31%	-1.9	
	DESTIN CITY	1.500	0.890	-41%	-3.8	
	FORT WALTON BEACH	4.646	3.402	-27%	-1.7	
	MARY ESTHER	3.400	2.116	-38%	-0.4	
	NICEVILLE	3.500	2.062	-41%	-1.2	
	SHALIMAR	2.200	2.115	-4%	0.0	
	VALPARAISO	3.120	2.208	-29%	-0.2	
OKEECHOBEE	OKEECHOBEE	7.190	4.733	-34%	-0.7	
ORANGE	APOPKA	3.762	2.425	-36%	-3.1	
	BAY LAKE	1.132	0.351	-69%	-3.4	
	BELLE ISLE	3.666	2.022	-45%	-1.0	
	LAKE BUENA VISTA	1.050	0.414	-61%	-1.1	
	EATONVILLE	6.904	3.413	-51%	-0.8	
	EDGEWOOD	4.700	3.065	-35%	-0.4	
	OAKLAND	4.925	2.033	-59%	-0.7	
	ORLANDO	5.692	4.507	-21%	-25.2	
	MAITLAND	3.880	2.902	-25%	-2.2	
	OCOOE	4.630	3.549	-23%	-2.2	
	WINDEMERE	3.950	1.774	-55%	-1.0	
	WINTER GARDEN	4.304	2.715	-37%	-3.2	
	WINTER PARK	4.758	2.436	-49%	-9.3	
	OSCEOLA	KISSIMMEE	5.545	2.927	-47%	-8.6
		ST. CLOUD	4.179	2.763	-34%	-2.1
PALM BEACH	ATLANTIS	6.000	5.480	-9%	-0.3	
	BELLE GLADE	6.430	7.170	12%	0.2	
	BOCA RATON	3.300	2.174	-34%	-22.5	
	BOYNTON BEACH	7.100	4.809	-32%	-12.8	
	BRINY BREEZES	2.750	0.585	-79%	-0.1	
	DELRAY BEACH	6.860	3.973	-42%	-24.3	
	GREENACRES	5.550	3.215	-42%	-4.6	
	GULF STREAM	3.100	2.630	-15%	-0.3	
	HAVERHILL	4.785	3.495	-27%	-0.1	
	HIGHLAND BEACH	3.579	2.329	-35%	-2.9	
	HYPOLUXO	2.450	1.683	-31%	-0.4	
	JUNO BEACH	3.200	2.172	-32%	-1.3	
	JUPITER	2.422	1.525	-37%	-7.9	
	JUPITER INLET COLONY	4.068	3.228	-21%	-0.2	
	LAKE CLARKE SHORES	5.316	3.861	-27%	-0.4	
	LAKE PARK	8.000	4.663	-42%	-2.2	
	LAKE WORTH	8.150	4.357	-47%	-7.7	
	LANTANA	7.039	3.480	-51%	-3.7	
MANALAPAN	3.042	2.200	-28%	-0.7		

**Property Tax Rate Reduction Proposal  
Estimated Municipal Government Impacts**

County		Tax Rates (mills) (1)			Tax Amount (mil \$)
		Current	Proposed	% Diff	
PALM BEACH (CONTINUED)	MANGONIA PARK	9.800	7.528	-23%	-0.4
	OCEAN RIDGE	4.750	2.410	-49%	-1.9
	PAHOKEE	7.020	6.675	-5%	0.0
	PALM BEACH	3.727	2.745	-26%	-11.8
	PALM BEACH GARDENS	5.495	3.089	-44%	-22.4
	PALM BEACH SHORES	6.250	2.988	-52%	-2.2
	RIVIERA BEACH	8.750	5.418	-38%	-12.6
	SOUTH BAY	9.289	7.174	-23%	-0.1
	TEQUESTA	6.498	4.347	-33%	-2.1
	SOUTH PALM BEACH	6.250	2.771	-56%	-1.5
	VILLAGE OF GOLF	7.100	3.955	-44%	-0.5
	NORTH PALM BEACH	6.300	3.471	-45%	-5.7
	PALM SPRINGS	4.771	3.111	-35%	-1.3
	ROYAL PALM BEACH	2.140	2.268	6%	0.3
	WEST PALM BEACH	7.850	4.831	-38%	-36.3
	WELLINGTON	2.700	1.388	-49%	-9.5
	PASCO	DADE CITY	7.840	5.483	-30%
NEW PORT RICHEY		7.000	4.366	-38%	-1.0
PORT RICHEY		4.700	3.472	-26%	-0.5
SAN ANTONIO		2.416	1.545	-36%	-0.1
ZEPHYRHILLS		6.420	4.869	-24%	-1.1
ST. LEO		1.500	1.629	9%	0.0
PINELLAS	BELLEAIR	4.639	3.062	-34%	-1.3
	BELLEAIR BEACH	2.310	1.242	-46%	-0.6
	BELLEAIR BLUFFS	4.350	2.641	-39%	-0.4
	BELLEAIR SHORE	0.516	0.536	4%	0.0
	CLEARWATER	5.209	3.460	-34%	-18.6
	DUNEDIN	4.093	2.767	-32%	-3.1
	GULFPORT	3.870	2.331	-40%	-1.5
	INDIAN ROCKS BEACH	1.520	1.116	-27%	-0.5
	INDIAN SHORES	1.670	0.639	-62%	-1.1
	KENNETH CITY	3.754	2.610	-30%	-0.2
	LARGO	4.276	2.384	-44%	-8.3
	MADEIRA BEACH	1.900	0.973	-49%	-1.2
	OLDSMAR	4.600	3.024	-34%	-2.0
	PINELLAS PARK	4.979	3.776	-24%	-4.2
	REDINGTON BEACH	2.100	1.007	-52%	-0.5
	NORTH REDINGTON BEACH	0.825	0.495	-40%	-0.2
	REDINGTON SHORES	1.680	0.703	-58%	-0.6
	SAFETY HARBOR	2.739	2.337	-15%	-0.5
	SEMINOLE	2.750	2.187	-20%	-0.7
	SOUTH PASADENA	1.387	1.119	-19%	-0.2
ST. PETERSBURG	6.600	4.674	-29%	-31.4	
ST. PETERSBURG BEACH	2.600	1.469	-43%	-3.2	
TARPON SPRINGS	4.796	3.343	-30%	-2.6	
TREASURE ISLAND	2.627	1.110	-58%	-2.7	
POLK	AUBURNDALE	4.516	2.434	-46%	-1.7
	BARTOW	4.500	1.394	-69%	-2.0
	DAVENPORT	6.500	3.699	-43%	-0.3
	DUNDEE	7.000	6.056	-13%	-0.1
	EAGLE LAKE	8.500	4.376	-49%	-0.2
	FT MEADE	3.500	0.851	-76%	-0.3
	FROSTPROOF	8.500	6.444	-24%	-0.2
	HAINES CITY	6.890	4.614	-33%	-2.2
	HIGHLAND PARK	7.429	4.748	-36%	0.0
	HILLCREST HEIGHTS	0.357	0.371	4%	0.0
	LAKE ALFRED	7.058	5.989	-15%	-0.2
	LAKE HAMILTON	7.148	4.884	-32%	-0.2
	LAKELAND	3.545	2.250	-37%	-6.9
	LAKE WALES	8.440	5.936	-30%	-1.8
	MULBERRY	8.500	6.129	-28%	-0.4
	POLK CITY	6.743	4.534	-33%	-0.1
WINTER HAVEN	6.900	5.104	-26%	-3.2	
PUTNAM	CRESCENT CITY	8.800	7.475	-15%	-0.1
	INTERLACHEN	8.500	4.357	-49%	-0.3
	PALATKA	8.650	6.054	-30%	-1.1
	POMONA PARK	5.654	4.566	-19%	0.0
	WELAKA	6.300	3.216	-49%	-0.2



**Property Tax Rate Reduction Proposal  
Estimated Municipal Government Impacts**

County		Tax Rates (mills) (1)			Tax Amount (mil \$)
		Current	Proposed	% Diff	
ST. JOHNS	HASTINGS	8.000	5.569	-30%	-0.1
	ST. AUGUSTINE	6.600	3.906	-41%	-4.4
	ST. AUGUSTINE BEACH	1.800	0.978	-46%	-1.0
ST. LUCIE	FT. PIERCE	5.982	4.303	-28%	-4.6
	PT. ST. LUCIE	3.440	1.658	-52%	-21.6
	ST. LUCIE VILLAGE	1.500	0.474	-68%	-0.1
SANTA ROSA	GULF BREEZE	1.628	1.410	-13%	-0.1
	JAY	2.000	1.518	-24%	0.0
	MILTON	2.750	2.394	-13%	-0.1
SARASOTA	NORTH PORT-GENERAL FUND	3.300	1.630	-51%	-8.2
	SARASOTA-GERNAL OPERATING FUN	2.902	0.772	-73%	-20.7
	VENICE-GENERAL OPERATING FUND	3.129	1.719	-45%	-5.9
	LONGBOAT-GENERAL OPER. FUND	1.418	1.248	-12%	-1.1
SEMINOLE	ALTAMONTE SPRINGS	2.650	2.101	-21%	-1.8
	CASSELBERRY	5.000	3.592	-28%	-2.0
	LAKE MARY	4.000	3.077	-23%	-1.8
	LONGWOOD	4.990	3.764	-25%	-1.3
	OVIEDO	5.335	3.767	-29%	-3.4
	SANFORD	6.325	4.619	-27%	-5.0
	WINTER SPRINGS	4.292	2.615	-39%	-3.4
SUMTER	BUSHNELL	5.000	1.277	-74%	-0.4
	CENTER HILL	4.000	0.542	-86%	0.0
	WEBSTER	7.000	3.708	-47%	0.0
	WILDWOOD	4.790	2.695	-44%	-0.4
SUWANNEE	BRANFORD	4.250	3.176	-25%	0.0
	LIVE OAK	6.750	4.120	-39%	-0.4
TAYLOR	PERRY	4.668	4.216	-10%	-0.1
UNION	LAKE BUTLER	2.250	2.118	-6%	0.0
	WORTHINGTON SPRINGS	1.680	0.936	-44%	0.0
VOLUSIA	DAYTONA BEACH.	5.994	3.522	-41%	-13.6
	DAYTONA BEACH SHORES	3.837	1.739	-55%	-3.9
	SO. DAYTONA	4.800	3.141	-35%	-1.2
	DELAND	5.598	3.909	-30%	-2.9
	EDGEWATER	5.700	3.609	-37%	-2.3
	HOLLY HILL	4.080	2.945	-28%	-0.7
	LAKE HELEN	5.200	2.887	-44%	-0.3
	NEW SMYRNA BEACH	3.367	2.389	-29%	-3.7
	OAK HILL	5.063	2.293	-55%	-0.4
	ORANGE CITY	4.875	3.722	-24%	-0.7
	ORMOND BEACH	3.440	1.894	-45%	-5.5
	PONCE INLET	4.095	2.045	-50%	-2.4
	PORT ORANGE	4.660	3.004	-36%	-5.3
	PIERSON	3.067	3.184	4%	0.0
	DEBARY	3.000	1.754	-42%	-2.4
DELTONA	4.015	2.821	-30%	-3.9	
WAKULLA	ST. MARKS	4.250	2.305	-46%	-0.1
WALTON	DEFUNIAK SPRINGS	4.500	3.782	-16%	-0.1
	FREEPORT	3.930	1.407	-64%	-0.3
WASHINGTON	CHIPLEY	6.000	5.185	-14%	-0.1
	VERNON	2.514	2.094	-17%	0.0
<b>STATEWIDE AGGREGATES</b>		<b>4.643</b>	<b>2.889</b>	<b>-38%</b>	<b>-1,478.8</b>

(1) Levies for debt service are not included.



## Property Tax Rate Reduction Proposal Estimated Independent Special District Impacts

<u>County</u>	<u>Tax Rates (mills) (1)</u>			<u>Tax Amount (mil \$)</u>
	<u>Current</u>	<u>Proposed</u>	<u>% Diff</u>	
ALACHUA	2.039	1.704	-16%	-3.8
BAKER	2.482	1.818	-27%	-0.5
BAY	0.134	0.089	-34%	-0.8
BRADFORD	0.492	0.401	-18%	-0.1
BREVARD	0.593	0.382	-36%	-8.3
BROWARD	2.876	1.999	-30%	-138.9
CALHOUN	0.051	0.046	-10%	0.0
CHARLOTTE	0.684	0.279	-59%	-9.8
CITRUS	1.729	0.818	-53%	-10.6
CLAY	0.463	0.376	-19%	-0.8
COLLIER	1.308	0.766	-41%	-41.8
COLUMBIA	2.767	1.634	-41%	-2.6
DESOTO	0.617	0.410	-34%	-0.4
DIXIE	0.481	0.245	-49%	-0.1
DUVAL	0.503	0.427	-15%	-4.0
ESCAMBIA	0.051	0.041	-20%	-0.1
FLAGLER	0.663	0.371	-44%	-3.2
FRANKLIN	0.301	0.112	-63%	-0.8
GADSDEN	0.050	0.044	-12%	0.0
GILCHRIST	0.491	0.360	-27%	-0.1
GLADES	1.016	0.645	-37%	-0.3
GULF	0.050	0.019	-62%	-0.1
HAMILTON	0.496	0.445	-10%	0.0
HARDEE	1.026	0.879	-14%	-0.2
HENDRY	3.940	2.068	-48%	-5.2
HERNANDO	0.635	0.447	-30%	-1.9
HIGHLANDS	0.629	0.417	-34%	-1.2
HILLSBOROUGH	1.927	1.330	-31%	-46.9
HOLMES	0.051	0.040	-22%	0.0
INDIAN RIVER	1.371	0.903	-34%	-8.4
JACKSON	0.241	0.044	-82%	-0.3
JEFFERSON	0.175	0.146	-17%	0.0
LAFAYETTE	0.491	0.405	-18%	0.0
LAKE	1.724	1.365	-21%	-6.8
LEE	2.447	1.332	-46%	-100.0
LEON	0.050	0.046	-8%	-0.1
LEVY	0.698	0.374	-46%	-0.7
LIBERTY	0.060	0.031	-48%	0.0
MADISON	0.494	0.379	-23%	-0.1
MANATEE	1.139	0.537	-53%	-18.4
MARION	0.580	0.366	-37%	-3.8
MARTIN	1.057	0.700	-34%	-7.6
MIAMI-DADE	1.042	0.382	-63%	-140.6
MONROE	1.347	0.626	-54%	-19.1
NASSAU	0.582	0.401	-31%	-1.3
OKALOOSA	0.843	0.550	-35%	-5.2

## Property Tax Rate Reduction Proposal Estimated Independent Special District Impacts

<u>County</u>	<u>Tax Rates (mills) (1)</u>			<u>Tax Amount (mil \$)</u>
	<u>Current</u>	<u>Proposed</u>	<u>% Diff</u>	
OKEECHOBEE	0.968	0.621	-36%	-0.8
ORANGE	0.972	0.485	-50%	-44.9
OSCEOLA	0.385	0.385	0%	0.0
PALM BEACH	2.363	1.447	-39%	-147.5
PASCO	0.856	0.599	-30%	-6.7
PINELLAS	2.490	1.556	-38%	-70.5
POLK	0.755	0.583	-23%	-5.2
PUTNAM	0.466	0.373	-20%	-0.4
ST. JOHNS	0.876	0.631	-28%	-5.4
ST. LUCIE	3.610	1.921	-47%	-41.2
SANTA ROSA	0.394	0.138	-65%	-2.3
SARASOTA	1.622	0.583	-64%	-61.2
SEMINOLE	0.464	0.351	-24%	-3.4
SUMTER	0.685	0.443	-35%	-1.1
SUWANNEE	0.491	0.349	-29%	-0.2
TAYLOR	0.491	0.393	-20%	-0.1
UNION	0.491	0.447	-9%	0.0
VOLUSIA	2.727	1.799	-34%	-35.3
WAKULLA	0.050	0.027	-46%	0.0
WALTON	0.857	0.340	-60%	-8.4
WASHINGTON	0.051	0.028	-45%	0.0
<b>STATEWIDE AGGREGATES</b>	<b>1.551</b>	<b>0.924</b>	<b>-40%</b>	<b>-1,029.4</b>

(1) This is an aggregate average tax rate, which equals total levies in the county divided by total county taxable value.



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# **Government Efficiency & Accountability Council**

## **ADDENDUM A**

**Wednesday, March 7, 2007  
8:30 AM  
Morris Hall (17 HOB)**

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

Bill No. PCB GEAC 07-01

COUNCIL/COMMITTEE ACTION

ADOPTED                                   \_\_\_ (Y/N)  
ADOPTED AS AMENDED                   \_\_\_ (Y/N)  
ADOPTED W/O OBJECTION               \_\_\_ (Y/N)  
FAILED TO ADOPT                       \_\_\_ (Y/N)  
WITHDRAWN                               \_\_\_ (Y/N)  
OTHER                                     \_\_\_\_\_

1 Council/Committee hearing bill: Government Efficiency &  
2 Accountability Council

3 Representative(s)           offered the following:  
4

**Amendment (with title amendment)**

6 Remove everything after the enacting clause and insert:

7 Section 1. Subsection (3) of section 200.065, Florida  
8 Statutes, is amended to read:

9 200.065 Method of fixing millage.--

10 (3) The advertisement shall be no less than one-quarter  
11 page in size of a standard size or a tabloid size newspaper, and  
12 the headline in the advertisement shall be in a type no smaller  
13 than 18 point. The advertisement shall not be placed in that  
14 portion of the newspaper where legal notices and classified  
15 advertisements appear. The advertisement shall be published in a  
16 newspaper of general paid circulation in the county or in a  
17 geographically limited insert of such newspaper. The geographic  
18 boundaries in which such insert is circulated shall include the  
19 geographic boundaries of the taxing authority. It is the  
20 legislative intent that, whenever possible, the advertisement  
21 appear in a newspaper that is published at least 5 days a week  
22 unless the only newspaper in the county is published less than 5

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

23 days a week, or that the advertisement appear in a  
24 geographically limited insert of such newspaper which insert is  
25 published throughout the taxing authority's jurisdiction at  
26 least twice each week. It is further the legislative intent that  
27 the newspaper selected be one of general interest and readership  
28 in the community and not one of limited subject matter, pursuant  
29 to chapter 50.

30 (a) For taxing authorities other than school districts  
31 which have tentatively adopted a millage rate in excess of the  
32 millage rate limitation contained in s. 200.192, the  
33 advertisement shall be in the following form:

34  
35 NOTICE OF PROPOSED TAX INCREASE IN EXCESS OF THE MILLAGE  
36 LIMITATION

37  
38 The (name of the taxing authority) has tentatively  
39 adopted a measure to increase its property tax levy in excess of  
40 the millage limitation imposed by statute.

41 Last year's property tax levy:

42 A. Initially proposed tax levy ..... \$XX,XXX,XXX

43 B. Less tax reductions due to Value Adjustment Board and  
44 other assessment changes ..... (\$XX,XXX,XXX)

45 C. Actual property tax levy ..... \$XX,XXX,XXX

46 This year's proposed tax levy \$XX,XXX,XXX

47 If this proposed tax increase in excess of the millage  
48 limitation is levied by less than the required supermajority  
49 vote, the (name of taxing authority) may lose state revenue  
50 sharing. Last year, (name of taxing authority) received  
51 \$XX,XXX,XXX from revenue sharing.

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

52 All concerned citizens are invited to attend a public  
53 hearing on the tax increase to be held on (date and time) at  
54 (meeting place) .

55 A FINAL DECISION on the proposed tax increase and the  
56 budget will be made at this hearing.

57 (b)-(a) For taxing authorities other than school districts  
58 which have tentatively adopted a millage rate in excess of 100  
59 percent of the rolled-back rate computed pursuant to subsection  
60 (1), the advertisement shall be in the following form:

61  
62 NOTICE OF PROPOSED TAX INCREASE

63  
64 The (name of the taxing authority) has tentatively  
65 adopted a measure to increase its property tax levy.

66 Last year's property tax levy:

67 A. Initially proposed tax levy....\$XX,XXX,XXX

68 B. Less tax reductions due to Value Adjustment Board and  
69 other assessment changes....(\$XX,XXX,XXX)

70 C. Actual property tax levy....\$XX,XXX,XXX

71 This year's proposed tax levy....\$XX,XXX,XXX

72 All concerned citizens are invited to attend a public  
73 hearing on the tax increase to be held on (date and time) at  
74 (meeting place) .

75 A FINAL DECISION on the proposed tax increase and the  
76 budget will be made at this hearing.

77 (c)-(b) In all instances in which the provisions of  
78 paragraphs paragraph (a) and (b) are inapplicable for taxing  
79 authorities other than school districts, the advertisement shall  
80 be in the following form:

81  
82 NOTICE OF BUDGET HEARING



HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

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The (name of taxing authority) has tentatively adopted a budget for (fiscal year) . A public hearing to make a FINAL DECISION on the budget AND TAXES will be held on (date and time) at (meeting place) .

~~(d)~~(e) For school districts which have proposed a millage rate in excess of 100 percent of the rolled-back rate computed pursuant to subsection (1) and which propose to levy nonvoted millage in excess of the minimum amount required pursuant to s. 1011.60(6), the advertisement shall be in the following form:

NOTICE OF PROPOSED TAX INCREASE

The (name of school district) will soon consider a measure to increase its property tax levy.

Last year's property tax levy:

A. Initially proposed tax levy....\$XX,XXX,XXX

B. Less tax reductions due to Value Adjustment Board and other assessment changes....(\$XX,XXX,XXX)

C. Actual property tax levy....\$XX,XXX,XXX

This year's proposed tax levy....\$XX,XXX,XXX

A portion of the tax levy is required under state law in order for the school board to receive \$ (amount A) in state education grants. The required portion has (increased or decreased) by (amount B) percent and represents approximately (amount C) of the total proposed taxes.

The remainder of the taxes is proposed solely at the discretion of the school board.

All concerned citizens are invited to a public hearing on the tax increase to be held on (date and time) at (meeting place) .

HOUSE AMENDMENT FOR COUNCIL/COMMITTEE PURPOSES

Amendment No. (for drafter's use only)

114 A DECISION on the proposed tax increase and the budget will  
115 be made at this hearing.

116

117 1. AMOUNT A shall be an estimate, provided by the  
118 Department of Education, of the amount to be received in the  
119 current fiscal year by the district from state appropriations  
120 for the Florida Education Finance Program.

121 2. AMOUNT B shall be the percent increase over the rolled-  
122 back rate necessary to levy only the required local effort in  
123 the current fiscal year, computed as though in the preceding  
124 fiscal year only the required local effort was levied.

125 3. AMOUNT C shall be the quotient of required local-effort  
126 millage divided by the total proposed nonvoted millage, rounded  
127 to the nearest tenth and stated in words; however, the stated  
128 amount shall not exceed nine-tenths.

129 (e)~~(d)~~ For school districts which have proposed a millage  
130 rate in excess of 100 percent of the rolled-back rate computed  
131 pursuant to subsection (1) and which propose to levy as nonvoted  
132 millage only the minimum amount required pursuant to s.  
133 1011.60(6), the advertisement shall be the same as provided in  
134 paragraph (d) ~~(e)~~, except that the second and third paragraphs  
135 shall be replaced with the following paragraph:

136

137 This increase is required under state law in order for the  
138 school board to receive \$ (amount A) in state education  
139 grants.

140 (f)~~(e)~~ In all instances in which the provisions of  
141 paragraphs (d) ~~(e)~~ and (e) ~~(d)~~ are inapplicable for school  
142 districts, the advertisement shall be in the following form:

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144 NOTICE OF BUDGET HEARING

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The (name of school district) will soon consider a budget for (fiscal year) . A public hearing to make a DECISION on the budget AND TAXES will be held on (date and time) at (meeting place) .

(g)~~(f)~~ In lieu of publishing the notice set out in this subsection, the taxing authority may mail a copy of the notice to each elector residing within the jurisdiction of the taxing authority.

(h)~~(g)~~ In the event that the mailing of the notice of proposed property taxes is delayed beyond September 3 in a county, any multicounty taxing authority which levies ad valorem taxes within that county shall advertise its intention to adopt a tentative budget and millage rate in a newspaper of paid general circulation within that county, as provided in this subsection, and shall hold the hearing required pursuant to paragraph (2)(c) not less than 2 days or more than 5 days thereafter, and not later than September 18. The advertisement shall be in the following form, unless the proposed millage rate is less than or equal to the rolled-back rate, computed pursuant to subsection (1), in which case the advertisement shall be as provided in paragraph (f) ~~(e)~~:

NOTICE OF TAX INCREASE

The (name of the taxing authority) proposes to increase its property tax levy by (percentage of increase over rolled-back rate) percent.

All concerned citizens are invited to attend a public hearing on the proposed tax increase to be held on (date and time) at (meeting place) .

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176        (i)~~(h)~~ In no event shall any taxing authority add to or  
177 delete from the language of the advertisements as specified  
178 herein unless expressly authorized by law, except that, if an  
179 increase in ad valorem tax rates will affect only a portion of  
180 the jurisdiction of a taxing authority, advertisements may  
181 include a map or geographical description of the area to be  
182 affected and the proposed use of the tax revenues under  
183 consideration. The advertisements required herein shall not be  
184 accompanied, preceded, or followed by other advertising or  
185 notices which conflict with or modify the substantive content  
186 prescribed herein.

187        (j)~~(i)~~ The advertisements required pursuant to paragraphs  
188 (c) ~~(b)~~ and (f) ~~(e)~~ need not be one-quarter page in size or have  
189 a headline in type no smaller than 18 point.

190        (k)~~(j)~~ The amounts to be published as percentages of  
191 increase over the rolled-back rate pursuant to this subsection  
192 shall be based on aggregate millage rates and shall exclude  
193 voted millage levies unless expressly provided otherwise in this  
194 subsection.

195        (l)~~(k)~~ Any taxing authority which will levy an ad valorem  
196 tax for an upcoming budget year but does not levy an ad valorem  
197 tax currently shall, in the advertisement specified in paragraph  
198 (a), paragraph (b) ~~(a)~~, paragraph (d) ~~(c)~~, paragraph (e) ~~(d)~~, or  
199 paragraph (h) ~~(g)~~, replace the phrase "increase its property tax  
200 levy by (percentage of increase over rolled-back rate)  
201 percent" with the phrase "impose a new property tax levy of \$  
202 (amount) per \$1,000 value."

203        (m)~~(l)~~ Any advertisement required pursuant to this section  
204 shall be accompanied by an adjacent notice meeting the budget  
205 summary requirements of s. 129.03(3)(b). Except for those taxing  
206 authorities proposing to levy ad valorem taxes for the first

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207 time, the following statement shall appear in the budget summary  
208 in boldfaced type immediately following the heading, if the  
209 applicable percentage is greater than zero:

210

211 THE PROPOSED OPERATING BUDGET EXPENDITURES OF (name of  
212 taxing authority) ARE (percent rounded to one decimal place)  
213 MORE THAN LAST YEAR'S TOTAL OPERATING EXPENDITURES.

214

215 For purposes of this paragraph, "proposed operating budget  
216 expenditures" or "operating expenditures" means all moneys of  
217 the local government, including dependent special districts,  
218 that:

219 1. Were or could be expended during the applicable fiscal  
220 year, or

221 2. Were or could be retained as a balance for future  
222 spending in the fiscal year.

223

224 Provided, however, those moneys held in or used in trust,  
225 agency, or internal service funds, and expenditures of bond  
226 proceeds for capital outlay or for advanced refunded debt  
227 principal, shall be excluded.

228 Section 2. Section 200.192, Florida Statutes, is created  
229 to read:

230 200.192 Millage limitation; exception; form;  
231 application.--

232 (1) (a) Ad valorem taxes may not be levied in excess of a  
233 millage rate equal to the rolled-back rate as defined in s.  
234 200.065, adjusted by the percentage change in the Consumer Price  
235 Index for all urban consumers, U.S. City Average, all items  
236 1967=100, or successor reports for the 12-month period through  
237 June prior to the beginning of the fiscal year as initially

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238 reported by the United States Department of Labor, Bureau of  
239 Labor Statistics.

240 (b) This subsection does not apply to taxing authorities  
241 that have levied ad valorem taxes for less than 2 years.

242 (2) (a) For the fiscal year beginning October 1, 2007, ad  
243 valorem taxes may not be levied in excess of the maximum millage  
244 rate that would have resulted from application of subsection (1)  
245 if subsection (1) had been in effect beginning January 1, 2001,  
246 and had been applied each year up to and including the fiscal  
247 year beginning October 1, 2006.

248 (b) A taxing authority that began levying ad valorem taxes  
249 after January 1, 2001, may not levy ad valorem taxes in excess  
250 of the maximum millage rate that would have resulted from  
251 application of subsection (1) if subsection (1) had been in  
252 effect in the second full fiscal year in which the authority  
253 levied ad valorem taxes and had been applied up to and including  
254 the fiscal year beginning October 1, 2006.

255 (3) Ad valorem taxes may be levied in excess of the  
256 limitations provided in this section upon approval by the  
257 affirmative vote of the greater of at least a majority plus one  
258 or two-thirds of the full membership of the governing body  
259 adopting the millage rate.

260 (4) A county or municipality that levies a millage rate in  
261 excess of the maximum millage provided in this section without  
262 complying with subsection (3) may not participate in the local  
263 government half-cent sales tax distributions provided for in ss.  
264 218.23(3) (e) and 218.60-218.66 during the fiscal year  
265 immediately following the adoption of the excess millage rate.

266 (5) The form provided to taxing authorities by the  
267 property appraiser pursuant to s. 200.065(1) must include  
268 instructions to each taxing authority describing the proper

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269 method of computing the maximum millage described in subsections  
270 (1) and (2).

271 (6) This section does not apply to ad valorem taxes levied  
272 by school districts, for the payment of bonds, or for periods  
273 not longer than 2 years when authorized by a vote of the  
274 electors.

275 Section 3. This act shall take effect July 1, 2007.

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277  
278 ===== T I T L E A M E N D M E N T =====

279 Remove the entire title and insert:  
280 An act relating to ad valorem tax millage; amending s.  
281 200.065, F.S.; providing for a notice of proposed tax  
282 increase in excess of the millage limitation; creating s.  
283 200.192, F.S.; providing ad valorem tax millage  
284 limitations; providing exemption for certain taxing  
285 authorities; providing for exceeding the limitations under  
286 certain circumstances; prohibiting certain counties or  
287 municipalities from participating in certain local  
288 government half-cent sales tax distributions under certain  
289 circumstances; requiring forms of property appraisers to  
290 contain certain millage calculation instructions;  
291 providing for nonapplication to the millage of certain ad  
292 valorem tax levies; providing an effective date.

293