

Local & Federal Affairs Committee

Meeting Packet

**Thursday, February 25, 2016
10:00 am – 12:00 pm
Webster Hall (212 Knott)**

**Steve Crisafulli
Speaker**

**Dennis K. Baxley
Chair**



The Florida House of Representatives

Local & Federal Affairs Committee

Representative Steve Crisafulli
Speaker

Representative Dennis K. Baxley
Chair

Meeting Agenda
Thursday, February 25, 2016
212 Knott, Webster Hall
10:00 a.m. – 12:00 p.m.

I. Call to Order

II. Roll Call

III. Welcome and Opening Remarks

IV. Consideration of the following bills:

CS/HB 1015 Determination of Maximum Millage Rates by Local Government Affairs Subcommittee, Nuñez

CS/HB 1437 Port of Palm Beach District, Palm Beach County by Economic Affairs Committee, Hager

HB 7001 Special District Accountability by Local Government Affairs Subcommittee, Ray

HM 333 Recognition of Haitian Independence Day, Haitian Flag Day, & Haitian Heritage Month by Campbell

V. Adjournment

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 1015 Determination of Maximum Millage Rates
SPONSOR(S): Local Government Affairs Subcommittee, Nuñez
TIED BILLS: IDEN./SIM. **BILLS:** SB 1222

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Finance & Tax Committee	16 Y, 0 N	Dugan	Langston
2) Local Government Affairs Subcommittee	8 Y, 4 N, As CS	Monroe	Miller
3) Local & Federal Affairs Committee		Monroe <i>KDM</i>	Kiner <i>UK</i>

SUMMARY ANALYSIS

Property tax rates (i.e., millage rates) are set by local government governing boards each year and applied to local property tax bases to generate funding for local government uses. Since 2007, Florida law provides a formula to determine millage rates each year which may not be exceeded by a county, municipal, or special district governing board except by certain extraordinary votes. The formula sets the maximum millage that can be levied by simple majority vote of the governing board (simple majority maximum tax rate) by assuming the previous year's maximum tax rate was levied, and then it is adjusted by the change in Florida per capita personal income. The actual tax rate is commonly lower than the maximum.

The bill changes the formula for calculating the simple majority vote maximum millage rate. Instead of having a formula which assumes the previous year's maximum rate was levied, the formula would use the prior year's actual levy. The formula change will reduce the simple majority maximum tax rate for most counties, cities, and special districts.

The Revenue Estimating Conference met on February 5, 2016, to evaluate the impact of this bill on local revenues and adopted a negative indeterminate impact for CS/HB 1015.

The bill has an effective date of July 1, 2016.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

Ad Valorem Taxation Overview

The ad valorem tax is an annual tax levied by counties, cities, school districts, and some special districts. The amount of tax levied is based on the taxable value of real and tangible personal property as of January 1 of each year and the tax rate (millage rate) applied to such value.¹ The Florida Constitution reserves ad valorem taxation to local governments and prohibits the state from levying ad valorem taxes on real and tangible personal property.²

The Florida Constitution requires that “all ad valorem taxation shall be at a uniform rate within each taxing unit . . .”³ Generally, this requirement means that a taxing authority may not levy different rates on property located in different geographic areas within the taxing authority nor levy different rates on different types of property.

With the exception of the ad valorem tax and other home-rule revenue sources, local governments are dependent on the Legislature for authority to levy any other form of taxation. Local governments in Florida, levied approximately \$28.3 billion in Fiscal Year 2015-16.⁴ Ad valorem property tax revenues are also a major revenue source for school districts. Of the \$28.3 billion levied statewide for FY 2015-16, school districts levied approximately \$12.0 billion in property taxes.⁵

The “taxable value” of real and tangible personal property is the fair market value, or “just value,” of the real and tangible personal property adjusted for any exclusions, differentials, or exemptions allowed by the Constitution or the statutes.⁶ The Florida Constitution strictly limits the Legislature’s authority to provide exemptions or adjustments to fair market value.⁷

Millage Rates

Property tax rates, or millage rates, are set by each taxing authority and vary throughout the state. Ad valorem property tax revenues result from multiplying the millage rate adopted by counties, municipalities, and school boards, by the taxable value of property within that jurisdiction. The Florida Constitution limits the millage rates that may be levied, depending on the type of taxing authority.

Counties, Municipalities and Schools

Counties, municipalities, and school districts are each limited to levy up to ten mills (or one percent).⁸ By referendum, local voters may authorize counties, municipalities, and school districts to levy

¹ Section 192.001(12), F.S., defines “real property” as land, buildings, fixtures, and all other improvements to land. The terms “land,” “real estate,” “realty,” and “real property” may be used interchangeably. Section 192.001(11)(d), F.S., defines “tangible personal property” as all goods, chattels, and other articles of value (but does not include motor vehicles, boats, airplanes, trailers, trailer coaches and mobile homes as stated in art. VII, s. 1(b), Fla. Const., and defined in other statutes) capable of manual possession and whose chief value is intrinsic to the article itself.

² Art. VII, s. 1(a), Fla. Const.

³ Art. VII, s. 2, Fla. Const.

⁴ *Florida Tax Handbook*, p. 195 (2016).

⁵ *Florida Tax Handbook*, p. 195 (2016).

⁶ Sections 192.001(2) and (16), F.S., define the terms “assessed value” and “taxable value.” “Assessed value” is generally synonymous with “just value” unless a constitutional exception such as Save Our Homes applies to reduce the value of the property. “Taxable value” is the assessed value minus any applicable exemptions such as the \$25,000 homestead exemption. “Just value” is the estimated market value of the property.

⁷ Art. VII, s. 4, Fla. Const.

⁸ Art. VII, s. 9(b), Fla. Const.. A rate of one mill may be expressed as follows: 1 mill = 0.1 cent or \$0.001; \$1 per \$1,000; or 0.1%.

additional mills above the ten mill limitation to repay bonds to finance capital projects and for other purposes for a period of no longer than two years.⁹ Counties providing municipal services may also levy up to an additional ten mills above the ten mill county limitation within those areas where the county is providing municipal-type services, if authorized by general law.¹⁰

Special Districts

Independent special district millage rates are limited by the law establishing such districts and must be approved by the voters within the district. Dependent special district millage rates are included in the limitation applicable to the authority to which they are dependent. Up to one mill may be levied for water management purposes,¹¹ except in northwest Florida where the limit is 0.05 mill.¹²

Schools

The Florida Constitution requires that the Legislature provide by law for a uniform, efficient, safe, secure and high quality system of free public schools.¹³ The Legislature accomplishes this by providing for the funding of public schools through a combination of ad valorem taxes and other state revenues. In addition to the constitutional millage limitation, school districts are subject to certain statutory requirements in order to participate in the state's K-12 funding program, called the Florida Education Finance Program (FEFP).¹⁴

Limits on Growth of Property Tax Levies

In 2007, the Legislature enacted statutory changes¹⁵ that established a maximum millage rate and required most taxing authorities to reduce their millage rates.¹⁶ Exceptions were made for certain fiscally limited governments and for certain types of activities. The legislation created a formula to determine a maximum millage rate that could be levied by a county, municipal, or special district governing board by simple majority vote. Exceeding the maximum would require certain extraordinary votes by the governing board.

The maximum millage rate that most non-school taxing authorities can levy by simple majority vote is a rate based on the amount of taxes which would have been levied in the prior year if the maximum millage rate had been applied in that year, adjusted by the change in Florida per capita personal income.¹⁷ Local governments are allowed to override the maximum millage rate by extraordinary votes of their governing boards or by referenda of the electorate. A higher rate may be adopted only under the following conditions:

1. A rate of not more than 110 percent of the rate based on the previous year's maximum millage rate, adjusted for change in per capita Florida personal income, may be adopted if approved by a two-thirds vote of the membership of the governing body of the taxing authority; or
2. A rate in excess of 110 percent may be adopted if approved by a unanimous vote of the membership of the governing body of the taxing authority or by a three-fourths vote of the membership of the governing body if the governing body has nine or more members, or if the rate is approved by a referendum.¹⁸

A taxing authority, by levying less than the maximum millage which could be levied by a simple majority vote, can build up a "cushion" between their actual tax rate and the allowed maximum millage rate

⁹ Art. VII, s. 9(b), Fla. Const.

¹⁰ *Id.*

¹¹ Water management taxes are levied by the water management districts.

¹² Art. VII, s. 9(b), Fla. Const.

¹³ Art. IX, s. 1(a), Fla. Const.

¹⁴ Section 1011.71, F.S.

¹⁵ Ch. 2007-321, Laws of Fla.

¹⁶ Section 200.065(5), F.S.

¹⁷ Section 200.065(5), F.S. Calculation of Florida per capita personal income is to be provided by the Office of Economic and Demographic Research, per s. 200.001(8)(i), F.S.

¹⁸ Section 200.065(5)(a), F.S.

which they could levy. Over time, many taxing authorities have built up large enough cushions that the maximum millage rates have no effect.

In 2015, 35 counties and 64 municipalities had built up a sufficient cushion that the potential maximum rates calculated under the current statute were in excess of the 10 mill constitutional limit for county or municipal purposes.¹⁹ In the same year, of the 574 local governments subject to these requirements, 51 (8.9 percent) required a two-thirds vote to approve their adopted millages, and six (one percent) required a unanimous vote.²⁰ The total taxes levied by these 574 (less one extreme outlier) were almost 27 percent below the taxes that could have been levied at their simple majority maximum tax rates.²¹

Proposed Changes

The bill is intended to change the maximum millage rate that a taxing authority can levy to a rate based on the amount of taxes the taxing authority actually levied in the prior year, as opposed to basing the rate on the maximum rate which could have been levied. That is the maximum millage rate equals the rolled-back rate modified by the change in per capita Florida personal income. If the change in per capita Florida income is negative, then the maximum millage rate equals the rolled back rate.

The bill is intended to prevent taxing authorities from building up a “cushion” which keeps the maximum millage rate limitation from having an effect on their levy in any given year. This would result in more taxing authorities needing to either obtain an extraordinary vote to levy their proposed tax rates, or reducing their tax rate. However, it may also provide a disincentive for taxing authorities to levy less than the maximum millage rate which could be levied by a simple majority vote because doing so would no longer allow taxing authorities to build their cushion, and would limit the amount of taxes which could be levied by a simple majority vote in the following year. Consequently, a taxing authority might increase levies to the maximum tax rate which can be levied by a simple majority and potentially collect more ad valorem revenue than necessary for that fiscal year’s budget.

To illustrate the difference between current law and the intended effect of this bill, consider the following example: In a hypothetical Florida city there are no annexations, no construction, no interest, and no other extraneous economic factors to complicate the annual millage calculation. The city council is quite good at holding the line on taxes and continues to actually levy 5 mills every year, which is the rolled-back rate.

Under current law the maximum millage calculations would work as follows: In 2010, the maximum millage calculation in that year would allow a levy of 6 mills. That is, the current maximum millage calculation would allow the city to levy 20% more than the previous levy without an extraordinary vote. The amount which could be levied by a simple majority vote (the maximum millage) increases each year by the change in personal income. Thus, in 2012 the city could levy 6.53 mills by simple majority vote. By 2015 that figure has climbed to 7.06 mills. By 2017 the city could levy 7.61 mills of taxation, with a simple majority vote, which would be 52% more than the amount levied the year before. Assuming a drop in personal income in 2018 (identical to the drop experienced in 2009), the city could still levy up to 7.22 mills in that year without an extraordinary vote.

Under the change proposed by the bill, the city can only increase its levy by the change in personal income over the previous year. Thus, by a simple majority vote, the city could only increase its levy by 0.8% over the previous year in 2010, by 2.13% over the previous year in 2012, and by 4.6% in 2017. However, in 2018, because of the decrease in personal income, the maximum millage rate is the same as the rolled-back rate of 5 mills.

¹⁹ Department of Revenue, 2015 Maximum Millage Compliance Reports, found at <ftp://sdrftp03.dor.state.fl.us/MaximumMillageData/MillCapComp011516.pdf>

²⁰ Department of Revenue, 2015 Maximum Millage Compliance Reports, found at <ftp://sdrftp03.dor.state.fl.us/MaximumMillageData/MillCapComp011516.pdf>

²¹ Department of Revenue, 2015 Comparison of Property Taxes Levied, found at <ftp://sdrftp03.dor.state.fl.us/MaximumMillageData/comp15.pdf>

In chart form, the example is:

Year	% change in personal income	Actual levy	Maximum levy by simple majority under current law	Maximum levy by simple majority under proposed change
2009		5	6	
2010	0.80%	5	6.05	5.04
2011	5.65%	5	6.39	5.28
2012	2.13%	5	6.53	5.11
2013	2.85%	5	6.71	5.14
2014	1.96%	5	6.84	5.10
2015	3.17%	5	7.06	5.16
2016	3.20%	5	7.29	5.16
2017	4.46%	5	7.61	5.22
2018	-5.14%	5	7.22	5.00

The effective date of the bill is July 1, 2016.

B. SECTION DIRECTORY:

Section 1. Amends s. 200.065, F.S., to change the calculation of the maximum millage rate of a local government taxing authority other than a school district;

Section 2. Provides an 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:

The Revenue Estimating Conference met on February 5, 2016, to evaluate the impact of this bill on local revenues and adopted a negative indeterminate impact for CS/HB 1015.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Owners of property in a taxing authority that reduces its millage rate may experience a lower property tax liability.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Subsection 18(b) of article VII of the Florida Constitution provides that the Legislature, except upon approval by a two-thirds vote, may not enact a general law if the anticipated effect of doing so would be to reduce the authority that counties or municipalities have to raise revenues in the aggregate. It is unclear whether the requirement for a supermajority vote to exceed the lower millage limitations resulting from this bill represents a reduction of revenue raising authority as contemplated by subsection 18(b). If the purpose of subsection 18(b) is to determine whether the amount of potential revenue available to counties and municipalities was reduced, then this bill does not reduce that potential and the requirement for a two-thirds vote is not applicable. However, if the purpose of subsection 18(b) is to look at the method for adopting a millage rate, then the provisions of this bill requiring a supermajority vote to adopt a millage rate that could currently be adopted by a majority vote may be considered a mandate requiring a two-thirds vote of the Legislature. There is no legal authority to guide the Legislature in making a determination regarding this issue.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill neither authorizes nor requires implementation by executive branch rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On February 1 2016, the Local Government Affairs Subcommittee adopted a strike-all amendment to the bill which provides that if the change in the Florida per capita personal income is negative, the maximum millage rate shall be equal to the rolled-back rate. In addition, it amends s. 200.065(5)(a)1., F.S., to change the definition of the maximum millage rate to conform with the change in that definition made in s. 200.065(5)(a), F.S.

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A bill to be entitled
An act relating to determination of maximum millage rates; amending s. 200.065, F.S.; revising the method for computing the rolled-back rate for purposes of determining the maximum millage rate for certain local governments; providing an effective date.

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

Section 1. Paragraph (a) of subsection (5) of section 200.065, Florida Statutes, is amended to read:

200.065 Method of fixing millage.—

(5) In each fiscal year:

(a) The maximum millage rate that a county, municipality, special district dependent to a county or municipality, municipal service taxing unit, or independent special district may levy is a rolled-back rate based on the amount of taxes actually ~~which would have been~~ levied in the prior year ~~if the maximum millage rate had been applied~~, adjusted for change in per capita Florida personal income, unless the change in per capita Florida personal income is negative ~~a higher rate was adopted~~, in which case the maximum is the rolled-back ~~adopted~~ rate. The maximum millage rate applicable to a county authorized to levy a county public hospital surtax under s. 212.055 and which did so in fiscal year 2007 shall exclude the revenues required to be contributed to the county public general hospital

27 | in the current fiscal year for the purposes of making the
 28 | maximum millage rate calculation, but shall be added back to the
 29 | maximum millage rate allowed after the roll back has been
 30 | applied, the total of which shall be considered the maximum
 31 | millage rate for such a county for purposes of this subsection.
 32 | The revenue required to be contributed to the county public
 33 | general hospital for the upcoming fiscal year shall be
 34 | calculated as 11.873 percent times the millage rate levied for
 35 | countywide purposes in fiscal year 2007 times 95 percent of the
 36 | preliminary tax roll for the upcoming fiscal year. A higher rate
 37 | may be adopted only under the following conditions:

38 | 1. A rate of not more than 110 percent of the rolled-back
 39 | rate based on the amount of taxes actually levied in the prior
 40 | year ~~previous year's maximum millage rate~~, adjusted for change
 41 | in per capita Florida personal income, may be adopted if
 42 | approved by a two-thirds vote of the membership of the governing
 43 | body of the county, municipality, or independent district; or

44 | 2. A rate in excess of 110 percent may be adopted if
 45 | approved by a unanimous vote of the membership of the governing
 46 | body of the county, municipality, or independent district or by
 47 | a three-fourths vote of the membership of the governing body if
 48 | the governing body has nine or more members, or if the rate is
 49 | approved by a referendum.

50 |
 51 | Any unit of government operating under a home rule charter
 52 | adopted pursuant to ss. 10, 11, and 24, Art. VIII of the State

53 Constitution of 1885, as preserved by s. 6(e), Art. VIII of the
 54 State Constitution of 1968, which is granted the authority in
 55 the State Constitution to exercise all the powers conferred now
 56 or hereafter by general law upon municipalities and which
 57 exercises such powers in the unincorporated area shall be
 58 recognized as a municipality under this subsection. For a
 59 downtown development authority established before the effective
 60 date of the 1968 State Constitution which has a millage that
 61 must be approved by a municipality, the governing body of that
 62 municipality shall be considered the governing body of the
 63 downtown development authority for purposes of this subsection.
 64 Section 2. This act shall take effect July 1, 2016.

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 1015 (2016)

Amendment No.

COMMITTEE/SUBCOMMITTEE 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 Committee/Subcommittee hearing bill: Local & Federal Affairs
2 Committee

3 Representative Nuñez offered the following:
4

5 **Amendment (with title amendment)**

6 Remove everything after the enacting clause and insert:

7 Section 1. Paragraph (c) is added to subsection (5) of
8 section 200.065, Florida Statutes, to read:

9 200.065 Method of fixing millage.—

10 (5) In each fiscal year:

11 (c) If the maximum millage rate as determined in paragraph
12 (a) exceeds the limits set forth in s. 9(b), Art. VII of the
13 State Constitution, the maximum millage rate shall be equal to
14 the limit as set forth in s. 9(b), Art. VII of the State
15 Constitution.
16

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COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 1015 (2016)

Amendment No.

17 Any unit of government operating under a home rule charter
18 adopted pursuant to ss. 10, 11, and 24, Art. VIII of the State
19 Constitution of 1885, as preserved by s. 6(e), Art. VIII of the
20 State Constitution of 1968, which is granted the authority in
21 the State Constitution to exercise all the powers conferred now
22 or hereafter by general law upon municipalities and which
23 exercises such powers in the unincorporated area shall be
24 recognized as a municipality under this subsection. For a
25 downtown development authority established before the effective
26 date of the 1968 State Constitution which has a millage that
27 must be approved by a municipality, the governing body of that
28 municipality shall be considered the governing body of the
29 downtown development authority for purposes of this subsection.

30 Section 2. This act shall take effect July 1, 2016.

31
32 -----
33 **T I T L E A M E N D M E N T**

34 Remove everything before the enacting clause and insert:

35 A bill to be entitled

36 An act relating to determination of maximum millage rates;
37 amending s. 200.065, F.S.; specifying the maximum millage
38 rate under certain circumstances; providing an effective
39 date.

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 1015~~CS/HB 1015~~ (2016)

Amendment No.

COMMITTEE/SUBCOMMITTEE 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 Committee/Subcommittee hearing bill: Local & Federal Affairs
2 Committee

3 Representative Nuñez offered the following:

Amendment (with title amendment)

6 Remove everything after the enacting clause and insert:

7 Section 1. Paragraphs (d) and (e) of subsection (2) and
8 paragraph (a) of subsection (5) of section 200.065, Florida
9 Statutes, are amended to read:

10 (2) No millage shall be levied until a resolution or
11 ordinance has been approved by the governing board of the taxing
12 authority which resolution or ordinance must be approved by the
13 taxing authority according to the following procedure:

14 (d)1. Within 15 days after the meeting adopting the
15 tentative budget, the taxing authority shall advertise in a
16 newspaper of general circulation in the county as provided in
17 subsection (3), its intent to finally adopt a millage rate and

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 1015~~CS/HB 1015~~ (2016)

Amendment No.

18 budget. A public hearing to finalize the budget and adopt a
19 millage rate shall be held not less than 2 days nor more than 5
20 days after the day that the advertisement is first published.
21 During the hearing, the governing body of the taxing authority
22 shall amend the adopted tentative budget as it sees fit, adopt a
23 final budget, and adopt a resolution or ordinance stating the
24 millage rate to be levied. The resolution or ordinance shall
25 state the percent, if any, by which the millage rate to be
26 levied exceeds the rolled-back rate computed pursuant to
27 subsection (1), which shall be characterized as the percentage
28 increase in property taxes adopted by the governing body. The
29 adoption of the budget and the millage-levy resolution or
30 ordinance shall be by separate votes. For each taxing authority
31 levying millage, the name of the taxing authority, the rolled-
32 back rate, the percentage increase, and the millage rate to be
33 levied shall be publicly announced prior to the adoption of the
34 millage-levy resolution or ordinance. In no event may the
35 millage rate adopted pursuant to this paragraph exceed the
36 millage rate tentatively adopted pursuant to paragraph (c). If
37 the rate tentatively adopted pursuant to paragraph (c) exceeds
38 the proposed rate provided to the property appraiser pursuant to
39 paragraph (b), or as subsequently adjusted pursuant to
40 subsection (11), each taxpayer within the jurisdiction of the
41 taxing authority shall be sent notice by first-class mail of his
42 or her taxes under the tentatively adopted millage rate and his
43 or her taxes under the previously proposed rate. The notice must

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COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 1015~~CS/HB 1015~~ (2016)

Amendment No.

44 be prepared by the property appraiser, at the expense of the
45 taxing authority, and must generally conform to the requirements
46 of s. 200.069. If such additional notice is necessary, its
47 mailing must precede the hearing held pursuant to this paragraph
48 by not less than 10 days and not more than 15 days.

49 2. Within 15 days after the meeting adopting the tentative
50 budget, the taxing authority shall post the advertisement
51 required under paragraph (d)1. and provided for in subsection
52 (3) on the taxing authority's official website. If the taxing
53 authority does not operate an official website, the taxing
54 authority must, within a reasonable period of time as
55 established by the county or counties in which the taxing
56 authority is located, transmit the advertisement to the manager
57 or administrator of each county or counties in which the taxing
58 authority is located who shall post the advertisement on their
59 respective websites.

60 (e)1. In the hearings required pursuant to paragraphs (c)
61 and (d), the first substantive issue discussed shall be the
62 percentage increase in millage over the rolled-back rate
63 necessary to fund the budget, if any, and the specific purposes
64 for which ad valorem tax revenues are being increased. During
65 such discussion, the governing body shall hear comments
66 regarding the proposed increase and explain the reasons for the
67 proposed increase over the rolled-back rate. The general public
68 shall be allowed to speak and to ask questions prior to adoption
69 of any measures by the governing body. The governing body shall

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COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 1015~~CS/HB 1015~~ (2016)

Amendment No.

70 adopt its tentative or final millage rate prior to adopting its
71 tentative or final budget.

72 2. These hearings shall be held after 5 p.m. if scheduled
73 on a day other than Saturday. No hearing shall be held on a
74 Sunday. The county commission shall not schedule its hearings on
75 days scheduled for hearings by the school board. The hearing
76 dates scheduled by the county commission and school board shall
77 not be utilized by any other taxing authority within the county
78 for its public hearings. A multicounty taxing authority shall
79 make every reasonable effort to avoid scheduling hearings on
80 days utilized by the counties or school districts within its
81 jurisdiction. Tax levies and budgets for dependent special
82 taxing districts shall be adopted at the hearings for the taxing
83 authority to which such districts are dependent, following such
84 discussion and adoption of levies and budgets for the superior
85 taxing authority. A taxing authority may adopt the tax levies
86 for all of its dependent special taxing districts, and may adopt
87 the budgets for all of its dependent special taxing districts,
88 by a single unanimous vote. However, if a member of the general
89 public requests that the tax levy or budget of a dependent
90 special taxing district be separately discussed and separately
91 adopted, the taxing authority shall discuss and adopt that tax
92 levy or budget separately. If, due to circumstances beyond the
93 control of the taxing authority, the hearing provided for in
94 paragraph (d) is recessed, the taxing authority shall publish a
95 notice in a newspaper of general paid circulation in the county.

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COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 1015~~CS/HB 1015~~ (2016)

Amendment No.

96 The notice shall state the time and place for the continuation
97 of the hearing and shall be published at least 2 days but not
98 more than 5 days prior to the date the hearing will be
99 continued.

100 3. Within 15 days after final adoption of the tax levy, the
101 taxing authority shall post the vote record for the final
102 adoption of millage levy on the taxing authority's official
103 website. If the taxing authority does not operate an official
104 website, the taxing authority must, within a reasonable period
105 of time as established by the county or counties in which the
106 taxing authority is located, transmit the vote record to the
107 manager or administrator of each county or counties in which the
108 taxing authority is located, who shall post the advertisement on
109 the appropriate websites. The vote record for the final adoption
110 of the millage rate shall include:

111 a. The percent, if any, by which the final adopted millage
112 rate exceeds the rolled-back rate computed pursuant to
113 subsection (1). That percent shall be characterized as the
114 percentage increase in property taxes adopted by the governing
115 body.

116 b. The name of each member of the governing body of the
117 taxing authority and their vote on the resolution or ordinance
118 stating the millage rate to be levied and adopted at their final
119 hearing as provided for in (2)d.

120 (5) In each fiscal year:

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 1015~~CS/HB 1015~~ (2016)

Amendment No.

121 (a) The maximum millage rate that a county, municipality,
122 special district dependent to a county or municipality,
123 municipal service taxing unit, or independent special district
124 may levy is the millage a rolled-back rate based on the amount
125 of taxes which would have been levied in the prior year if the
126 maximum millage rate had been applied, adjusted for any change
127 in per capita Florida personal income, unless the change in per
128 capita Florida personal income is negative a higher rate was
129 adopted, in which case the maximum is the prior year's adopted
130 rate. The maximum millage rate for an independent special
131 hospital district with ad valorem taxing authority is the
132 millage cap set in the special hospital taxing district charter.
133 The maximum millage rate applicable to a county authorized to
134 levy a county public hospital surtax under s. 212.055 and which
135 did so in fiscal year 2007 shall exclude the revenues required
136 to be contributed to the county public general hospital in the
137 current fiscal year for the purposes of making the maximum
138 millage rate calculation, but shall be added back to the maximum
139 millage rate allowed after the roll back has been applied, the
140 total of which shall be considered the maximum millage rate for
141 such a county for purposes of this subsection. The revenue
142 required to be contributed to the county public general hospital
143 for the upcoming fiscal year shall be calculated as 11.873
144 percent times the millage rate levied for countywide purposes in
145 fiscal year 2007 times 95 percent of the preliminary tax roll

834101 - CS HB 1015 Nunez Strike All.docx

Published On: 2/24/2016 6:04:12 PM

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 1015~~CS/HB 1015~~ (2016)

Amendment No.

146 for the upcoming fiscal year. A higher rate may be adopted only
147 under the following conditions:

148 1. A rate of not more than 110 percent of the millage
149 ~~rolled-back rate levied in the prior year based on the previous~~
150 ~~year's maximum millage rate~~, adjusted for change in per capita
151 Florida personal income, unless the change in per capita Florida
152 personal income is negative in which case no adjustment may be
153 made, may be adopted if approved by a two-thirds vote of the
154 membership of the governing body of the county, municipality, or
155 independent district; or

156 2. A rate in excess of 110 percent may be adopted if
157 approved by a unanimous vote of the membership of the governing
158 body of the county, municipality, or independent district or by
159 a three-fourths vote of the membership of the governing body if
160 the governing body has nine or more members, or if the rate is
161 approved by a referendum.

162
163 Any unit of government operating under a home rule charter
164 adopted pursuant to ss. 10, 11, and 24, Art. VIII of the State
165 Constitution of 1885, as preserved by s. 6(e), Art. VIII of the
166 State Constitution of 1968, which is granted the authority in
167 the State Constitution to exercise all the powers conferred now
168 or hereafter by general law upon municipalities and which
169 exercises such powers in the unincorporated area shall be
170 recognized as a municipality under this subsection. For a
171 downtown development authority established before the effective

334101 - CS HB 1015 Nunez Strike All.docx

Published On: 2/24/2016 6:04:12 PM

Amendment No.

172 date of the 1968 State Constitution which has a millage that
173 must be approved by a municipality, the governing body of that
174 municipality shall be considered the governing body of the
175 downtown development authority for purposes of this subsection.

176 Section 2. This act shall take effect July 1, 2016.

177

178

179

180

181

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

182

Remove everything before the enacting clause and insert:

183

A bill to be entitled

184

An act relating to millage rates; amending s. 200.065,

185

F.S.; revising procedures to be used by taxing

186

authorities before and after adopting a final millage

187

rate and budget; revising the method for computing the

188

rolled-back rate for purposes of determining the

189

maximum millage rate for certain local governments;

190

providing an effective date.

191

Amendment No.

COMMITTEE/SUBCOMMITTEE 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 Committee/Subcommittee hearing bill: Local & Federal Affairs
2 Committee
3 Representative Mayfield offered the following:

4
5 **Amendment to Amendment (834101) by Representative Nuñez**
6 **(with directory and title amendments)**

7 Remove lines 120-175 of the amendment

8
9
10 -----
11 **D I R E C T O R Y A M E N D M E N T**

12 Remove lines 7-8 of the amendment and insert:

13 Section 1. Paragraphs (d) and (e) of subsection (2) of
14 section 200.065, Florida

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 1015 (2016)

Amendment No.

17

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

18

Remove lines 187-189 of the amendment and insert:

19


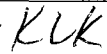
rate and budget;

094239 - CS_HB 1015 Mayfield Amendment to Nunez Strike-All
Amendment.docx

Published On: 2/24/2016 6:46:12 PM

HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

BILL #: CS/HB 1437 Port of Palm Beach District, Palm Beach County
SPONSOR(S): Economic Affairs Committee; Hager and others
TIED BILLS: IDEN./SIM. **BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Local Government Affairs Subcommittee	11 Y, 1 N	Walker	Miller
2) Economic Affairs Committee	13 Y, 0 N, As CS	Johnson	Pitts
3) Local & Federal Affairs Committee		Walker 	Kiner 

SUMMARY ANALYSIS

The Port of Palm Beach District (Port) is an independent special taxing district located in Palm Beach County. The most recent financial statement shows that the Board derives most of its revenues from rents and royalties and service charges. In 2014, the gross revenue of the Port was over \$26 million.

The Port is governed by the Board of Commissioners of Port of Palm Beach District (Board), which is comprised of five elected members. The most recent adjustment in 1999 set the compensation level for Board members to \$9,500.00/year. The bill raises the yearly compensation rate of Board members from \$9,500 to \$16,000, reflecting an approximate 3 percent yearly increase from the rate of compensation set in 1999. Thereafter, the salary may be adjusted annually by up to 3 percent by a majority vote of the Board. However, these salaries shall be funded from the operating revenues of the port district and may not be funded from ad valorem tax revenues. The Port has not assessed ad valorem taxes in approximately 40 years.

One of the functions of the Board is to oversee Foreign-Trade Zone operations associated with the Port. In 2008, the federal government created new regulations expanding the locations and modification flexibility of Foreign-Trade Zone site locations. In 2012, the Port approved a resolution to apply for the new Foreign-Trade Zone status created by the regulations in order to expand their site locations into the neighboring Martin and St. Lucie Counties. This application could not be granted because the Port's current charter did not permit the flexibility for expansion needed under the new regulations. Currently, the Port is limited by its charter to operating within the corporate limits of Palm Beach County. The bill amends the Port's special act to allow the Port to apply for Foreign-Trade Zone site locations outside of Palm Beach County.

The economic impact statement (EIS) for the bill anticipates no increase in revenues or expenses directly to the Port but potential indirect advantages to freight logistics businesses associated with the Port being able to take advantage of the flexibility for expansion of the foreign trade zone under the recent federal regulations.

The bill provides the act is effective upon becoming law.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

PRESENT SITUATION

The Port of Palm Beach District (Port) is an independent special taxing district located in Palm Beach County. The Port was created by special act in 1915¹ and subsequently amended.² The Port is the fourth busiest container port in Florida, the eighteenth busiest in the continental U.S., and is a major shipper of Florida goods such as bulk sugar and produce.³

There are 16 port authorities in Florida⁴ which collectively generate more than 680,000 direct and indirect jobs and contribute \$96 billion in economic value to the state, accounting for approximately 13 percent of Florida's Gross Domestic Product and \$2.4 billion in state and local taxes.⁵ The most recent financial statement shows that the Port derives most of its revenues from rents, royalties, and service charges.⁶ In 2014, the gross revenue of the Port was over \$26 million.⁷ The Port has not assessed ad valorem taxes in approximately 40 years.⁸

The Port is governed by the Board of Commissioners of Port of Palm Beach District (Board), which is comprised of five members elected by districtwide vote to serve four year terms.⁹ The Board was originally compensated at a rate of \$2,400.00/year, which has been adjusted periodically by the Legislature. The most recent adjustment in 1999 set the compensation level for Board members to \$9,500.00/year.¹⁰ The Board members receive the same retirement and insurance benefits as district employees, including: Health, Dental, Vision, Life Insurance, Short Term Disability, AFLAC, Long Term Life, FRS (Retirement Plan).¹¹

The Board governs the operation, maintenance, and management of projects of the Port. These powers and duties include: entering into contracts on behalf of the Port; acquisition of harbor and Port property; construction and repair of Port facilities; establishing trade zones; creating and managing the Port budget; setting rates, tolls, and charges for Port services and use; raising ad valorem taxes as needed; personnel selection and supervision; and providing insurance, pension, and retirement benefits to employees.¹²

¹ Ch. 7081, Laws of Fla. (1915).

² Ch. 74-570, Laws of Fla. (1974); ch. 81-459, Laws of Fla. (1981); ch. 99-457, Laws of Fla. (1999).

³ PORT OF PALM BEACH, *General Information*, <http://www.portofpalmbeach.com/121/General-Information> (last visited 01/21/2016).

⁴ FLORIDA DEPARTMENT OF ECONOMIC OPPORTUNITY, *Official List of Special Districts Online*, available at <http://www.floridajobs.org/community-planning-and-development/special-districts/special-district-accountability-program> (last visited Feb. 21, 2016).

⁵ FLORIDA PORTS COUNCIL, *The Florida System of Seaports*, <http://flaports.org/about/the-florida-system-of-seaports/> (last visited Feb. 21, 2016).

⁶ DEPARTMENT OF FINANCIAL SERVICES, *Local Government General Ad Hoc Report 2010-2015*, available at <http://www.myfloridacfo.com/Division/AA/LocalGovernments/default.htm> (last visited Feb. 21, 2016).

⁷ Id.

⁸ Id.; PORT OF PALM BEACH, *General Information*, <http://www.portofpalmbeach.com/121/General-Information> (last visited Feb. 23, 2016).

⁹ Ch. 74-570, Laws of Fla. (1974).

¹⁰ Ch. 99-457, Laws of Fla. (1999).

¹¹ PORT OF PALM BEACH, *Human Resources*, <http://www.portofpalmbeach.com/238/Human-Resources> (last visited Feb. 23, 2016).

¹² Ch. 74-570, Laws of Fla. (1974).

Foreign-Trade Zones (FTZs) are the United States' version of secure free-trade zones.¹³ FTZs are subject to U.S. Customs and Border Protection (CBP) supervision but largely overseen by a designated local board. The authority to establish FTZs was created by Congress in the Foreign-Trade Zones Act of 1934.¹⁴ The Foreign-Trade Zones Act is administered through two sets of regulations,¹⁵ which were revised in 2008¹⁶ to create a new variety of FTZ known as an Alternative Site Framework (ASF). Port entities operating under the revised ASF provisions have a number of operating advantages in terms of increased flexibility and predictability.¹⁷ The ASF allows FTZ sites administered by port authorities to utilize the "minor boundary modification process" in order to extend FTZ benefits to areas outside of existing zones through a shorter streamlined application process. The ASF framework also expands the range of available FTZ sites to include locations within 60 miles of the port of entry.

Currently, the Port is limited by its charter to operating within the corporate limits of Palm Beach County.¹⁸ In 2012, the Port approved a resolution to apply for ASF status in order to expand their FTZ site locations into the neighboring Martin and St. Lucie counties.¹⁹ In 2013 the Port was informed the application could not advance for the following reasons:

- The Port's charter limited the ability of the Port to sponsor future sites outside of Palm Beach County.
- The Port's charter did not allow expansion outside the immediate port district without approval from the affected county or municipal governments.²⁰

EFFECT OF THE BILL

The bill raises the yearly compensation rate of Board members from \$9,500 to \$16,000, reflecting an approximate 3 percent yearly increase from the rate of compensation set in 1999. Thereafter, the salary may be adjusted annually by up to 3 percent by a majority vote of the Board. However, the bill stipulates these salaries shall be funded from the operating revenues of the port district and may not be funded from ad valorem tax revenues.

The bill also authorizes the Port to apply for FTZ site locations outside of Palm Beach County, within 60 miles of the port of entry pursuant to the new ASF regulations implemented in 2008. The bill removes language requiring approval from local governments before establishing FTZ site locations outside of the district but notes all such FTZs remain subject to local codes, ordinances, and laws.

B. SECTION DIRECTORY:

Section 1. Amends that section of the Port charter pertaining to commissioner compensation, raising the yearly compensation of each Board member from \$9,500 to \$16,000 and allowing subsequent adjustments of up to 3 percent per year by a majority vote of the Board and provides restrictions on where the salaries may be funded from.

¹³ U.S. CUSTOMS AND BORDER PROTECTION, *About Foreign-Trade Zones and Contact Info*, <http://www.cbp.gov/border-security/ports-entry/cargo-security/cargo-control/foreign-trade-zones/about> (Feb. 23, 2016).

¹⁴ Foreign-Trade Zones Act of 1934, 19 U.S.C. 81a-81u.

¹⁵ The FTZ Regulations (15 CFR Part 400) and CBP Regulations (19 CFR Part 146).

¹⁶ 15 CFR Part 400- FTZ Regulations *available at* <http://enforcement.trade.gov/ftzpage/grantee/regs.html> (last visited Feb. 23, 2016).

¹⁷ U.S. CUSTOMS AND BORDER PROTECTION, *Foreign-Trade Zones Manual*, *available at*

https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&cad=rja&uact=8&ved=0ahUKEwi8s_zF68rKAhVH9h4KHdf7D5IQFggcMAA&url=https%3A%2F%2Fwww.cbp.gov%2Fsites%2Fdefault%2Ffiles%2Fdocuments%2FFTZmanual2011.pdf&usg=AFQjCNGMb22sCiQnmpxhGGTY-fzzVAktDA&bvm=bv.112766941,d.dmo (last visited Feb. 23, 2016).

¹⁸ Ch. 74-570, Laws of Fla. (1974).

¹⁹ PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS, *Executive Brief*, *available at*

http://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&cad=rja&uact=8&ved=0ahUKEwi58KDw8crKAhVCWh4KHV9tCjwQFggcMAA&url=http%3A%2F%2Fwww.pbcgov.com%2FpubInf%2FAGenda%2F20130416%2F5a1.pdf&usg=AFQjCNFa0Yju6uN0kXZ-Q6-_AjABetQRDA (last visited Feb. 23, 2016).

²⁰ Letter from Andrew McGilvray, Executive Director, The Foreign-Trade Zones Board, U.S. Dept. of Commerce, to Beatrice Greffin, Port of Palm Beach (11/08/2013), a copy of which is retained by staff of the Local Government Affairs Subcommittee.

Section 2. Amends that section of the Port charter pertaining to Foreign Trade Zones, authorizing sites to be located outside of Palm Beach County but remaining subject to all local ordinances and laws.

Section 3. Provides that the act shall take effect upon becoming law.

II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? Oct. 30, 2015

WHERE? The Palm Beach County Post in Palm Beach County, Florida

B. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes, attached No

D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached No

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

The bill neither authorizes nor requires implementation by executive branch rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On February 18, 2016, the Economic Affairs Committee adopted one amendment and reported the bill favorably as a committee substitute. The amendment provided that salaries of the port commissioners shall be paid out of the port district's operating revenues and may not be paid out of ad valorem tax revenues.

The analysis is written to the bill as reported as a committee substitute by the Economic Affairs Committee.

The Palm Beach Post
REAL NEWS STARTS HERE

Palm Beach Daily News

Rep. Hager
HB 1437 LB

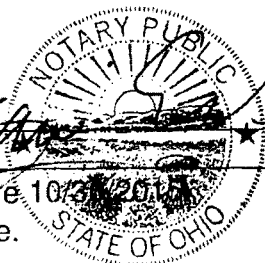
TO WHOM IT MAY CONCERN: Notice is hereby given of intent to apply to the 2016 Legislature for passage of an act relating to Palm Beach County, Port of Palm Beach District; amending chapter 74-570, Laws of Florida, as amended, setting commissioner compensation; approval of foreign trade zones; providing an effective date.

PUB: The Palm Beach Post
10-30/2015 #503318

PORT OF PALM BEACH PROOF OF PUBLICATION
STATE OF FLORIDA COUNTY OF PALM BEACH
Before the undersigned authority personally appeared Tiffani Everett, who on oath says that she is Call Center Legal Advertising Representative of The Palm Beach Post, a daily and Sunday newspaper, published at West Palm Beach in Palm Beach County, Florida; that the attached copy of advertising for a Notice was published in said newspaper on First date of Publication 10/30/2015 and last date of Publication 10/30/2015 Affiant further says that the said The Post is a newspaper published at West Palm Beach, in said Palm Beach County, Florida, and that the said newspaper has heretofore been continuously published in said Palm Beach County, Florida, daily and Sunday and has been entered as second class mail matter at the post office in West Palm Beach, in said Palm Beach County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that she/he has neither paid nor promised any person, firm or corporation any discount rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper. Also published in Martin and St. Lucie Counties.
NOTICE Ad ID: 955395 Ad Cost: 41.28

Signed _____

Sworn to and subscribed before 10/30/2015
Who is personally known to me.



JUSTIN PETERSON, Notary Public
for the State of Ohio
My Commission Expires July 31, 2019

HOUSE OF REPRESENTATIVES
2016 LOCAL BILL CERTIFICATION FORM

BILL #: HB 1437
SPONSOR(S): Rep. Bill Hager
RELATING TO: Port of Palm Beach, Palm Beach County
[Indicate Area Affected (City, County, or Special District) and Subject]
NAME OF DELEGATION: Palm Beach County
CONTACT PERSON: Rachael Ondrus
PHONE NO.: (352) 322-7908 **E-Mail:** rachael@mcnicholas.biz

I. House local bill policy requires the following steps must occur before a committee or subcommittee of the House considers a local bill:

- (1) The members of the local legislative delegation must certify that the purpose of the bill cannot be accomplished at the local level;
- (2) The legislative delegation must hold a public hearing in the area affected for the purpose of considering the local bill issue(s); and
- (3) The bill must be approved by a majority of the legislative delegation, or a higher threshold if so required by the rules of the delegation, at the public hearing or at a subsequent delegation meeting.
- (4) An Economic Impact Statement for local bills must be prepared at the local level and submitted to the Local Government Affairs Subcommittee. Under House policy, no local bill will be considered by a committee or subcommittee without an Economic Impact Statement.

(1) Does the delegation certify the purpose of the bill cannot be accomplished by ordinance of a local governing body without the legal need for a referendum?

YES NO

(2) Did the delegation conduct a public hearing on the subject of the bill?

YES NO

Date hearing held: December 8, 2015

Location: Lakeside Medical Center, 39200 Hooker Hwy, Belle Glade, FL 33430

(3) Was this bill formally approved by a majority of the delegation members?

YES NO

(4) Was an Economic Impact Statement prepared at the local level and submitted to the Local Government Affairs Subcommittee?

YES NO

II. Article III, Section 10 of the State Constitution prohibits passage of any special act unless notice of intention to seek enactment of the bill has been published as provided by general law (s. 11.02, F. S.) or the act is conditioned to take effect only upon approval by referendum vote of the electors in the area affected.

Has this constitutional notice requirement been met?

Notice published: YES NO DATE October 30, 2015

Where? Palm Beach Post County Palm Beach

Referendum in lieu of publication: YES NO

Date of Referendum _____

III. Article VII, Section 9(b) of the State Constitution prohibits passage of any bill creating a special taxing district, or changing the authorized millage rate for an existing special taxing district, unless the bill subjects the taxing provision to approval by referendum vote of the electors in the area affected.

(1) Does the bill create a special district and authorize the district to impose an ad valorem tax?

YES NO

(2) Does this bill change the authorized ad valorem millage rate for an existing special district?

YES NO

If the answer to question (1) or (2) is YES, does the bill require voter approval of the ad valorem tax provision(s)?

YES NO

Please submit this completed, original form to the Local Government Affairs Subcommittee.

M Magar

Delegation Chair (Original Signature)

1/11/16

Date

Representative MaryLynn Magar

Printed Name of Delegation Chair

HOUSE OF REPRESENTATIVES
2016 ECONOMIC IMPACT STATEMENT FORM

Read all instructions carefully.

House local bill policy requires that no local bill will be considered by a committee or a subcommittee without an Economic Impact Statement. This form must be prepared at the LOCAL LEVEL by an individual who is qualified to establish fiscal data and impacts and has personal knowledge of the information given (for example, a chief financial officer of a particular local government). Please submit this completed, original form to the Local Government Affairs Subcommittee as soon as possible after a bill is filed. Additional pages may be attached as necessary.

BILL #: HB 1437

SPONSOR(S): Representative Bill Hager

RELATING TO: Port of Palm Beach

[Indicate Area Affected (City, County or Special District) and Subject]

I. REVENUES:

These figures are new revenues that would not exist but for the passage of the bill. The term "revenue" contemplates, but is not limited to, taxes, fees and special assessments. For example, license plate fees may be a revenue source. If the bill will add or remove property or individuals from the tax base, include this information as well.

	<u>FY 16-17</u>	<u>FY 17-18</u>
Revenue decrease due to bill:	\$ <u>0</u>	\$ <u>0</u>
Revenue increase due to bill:	\$ <u>0</u>	\$ <u>0</u>

II. COST:

Include all costs, both direct and indirect, including start-up costs. If the bill repeals the existence of a certain entity, state the related costs, such as satisfying liabilities and distributing assets.

Expenditures for Implementation, Administration and Enforcement:

	<u>FY 16-17</u>	<u>FY 17-18</u>
	\$ <u>0</u>	\$ <u>0</u>

Please include explanations and calculations regarding how each dollar figure was determined in reaching total cost.

The Port of Palm Beach is funded through Port
tenants and user-fees - No tax dollars are impacted.

III. FUNDING SOURCE(S):

State the specific sources from which funding will be received, for example, license plate fees, state funds, borrowed funds, or special assessments.

If certain funding changes are anticipated to occur beyond the following two fiscal years, explain the change and at what rate taxes, fees or assessments will be collected in those years.

	<u>FY 16-17</u>	<u>FY 17-18</u>
Local:	\$ <u>0</u>	\$ <u>0</u>
State:	\$ <u>0</u>	\$ <u>0</u>
Federal:	\$ <u>0</u>	\$ <u>0</u>

IV. ECONOMIC IMPACT:

Potential Advantages:

Include all possible outcomes linked to the bill, such as increased efficiencies, and positive or negative changes to tax revenue. If an act is being repealed or an entity dissolved, include the increased or decreased efficiencies caused thereby.

Include specific figures for anticipated job growth.

1. Advantages to Individuals: _____

2. Advantages to Businesses: It will be easier for freight logistics businesses to obtain a FT2 operators license.

3. Advantages to Government: Compensation will be limited to no more than 3% per year increase and will not require legislative action.

Potential Disadvantages:

Include all possible outcomes linked to the bill, such as inefficiencies, shortages, or market changes anticipated.

Include reduced business opportunities, such as reduced access to capital or training.

State any decreases in tax revenue as a result of the bill.

1. Disadvantages to Individuals: None

2. Disadvantages to Businesses:

None

3. Disadvantages to Government:

None

V. DESCRIBE THE POTENTIAL IMPACT OF THE BILL ON PRESENT GOVERNMENTAL SERVICES:

Will streamline and make more effecient
the designation of businesses to utilize
foreign trade zone status

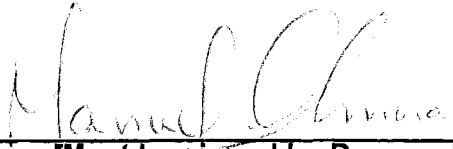
VI. SPECIFIC DATA USED IN REACHING ESTIMATES:

Include the type(s) and source(s) of data used, percentages, dollar figures, all assumptions made, history of the industry/issue affected by the bill, and any audits.

N/A

VII. CERTIFICATION BY PREPARER

I hereby certify I am qualified to establish fiscal data and impacts and have personal knowledge of the information given. I have reviewed all available financial information applicable to the substance of the above-stated local bill and confirm the foregoing Economic Impact Statement is a true and accurate estimate of the economic impact of the bill.

PREPARED BY: 
[Must be signed by Preparer]

Print preparer's name: Manny Almira
September 29, 2015
Date

TITLE (such as Executive Director, Actuary, Chief Accountant, or Budget Director):
Port Director

REPRESENTING: Port of Palm Beach

PHONE: (561) 383-4131

E-MAIL ADDRESS: malmira@portofpalmbeach.com



UNITED STATES DEPARTMENT OF COMMERCE
The Foreign-Trade Zones Board
Washington, D.C. 20230

November 8, 2013

Ms. Beatrice Greffin
Manager, Human Resources/Payroll & Foreign Trade Zone
Port of Palm Beach District
P.O. Box 9935
Riviera Beach, Florida 33419

Dear Ms. Greffin:

We have received the pre-docketing application of the Port of Palm Beach District to reorganize FTZ 135 under the alternative site framework (ASF) and to include Palm Beach, Martin and St. Lucie Counties in the proposed service area. Our initial review of the application has raised a key concern that seeking authority from the FTZ Board (through an ASF reorganization) to sponsor a range of potential future sites outside of Palm Beach County may not be consistent with the charter of the Port of Palm Beach District (grantee).

Specifically, in the response to the application's Question 2, you provided the following:

(5) The establishment of trade zones. To exercise complex and exclusive control over the port and harbor facilities within the port district; and to apply to the proper public authorities of the United States of America for the right to establish, operate and maintain foreign or domestic trade zones or subzones *within or without the boundaries of the port district*, and to operate and maintain such foreign and domestic trade zones;...(emphasis added).

Based on that language alone, there would be no concern about the grantee's legal authority to sponsor sites outside Palm Beach County. However, as required by our application format, Attachment C of the application which provides the entire section of the grantee's charter, which further states "provided, however, that such foreign trade zones shall comply with Federal laws and regulations applicable to trade zones and shall be located within the corporate limits of Palm Beach County" (emphasis added). That section of the charter also states: "In the event a trade zone site is established outside the boundaries of the port district, the county government, or, if within an incorporated area, the local municipal government, shall have approved the establishment of the trade zone within its jurisdiction, and such trade zone site shall be subject to such local government's applicable codes and ordinances."

In the context of the complete language of the section of the charter in question, we have two specific concerns:

- 1) It appears that seeking authority (through an ASF reorganization) to sponsor a range of potential future sites beyond Palm Beach County may not be consistent with the grantee's charter.
- 2) It appears that sites that outside the port district could only be approved with the approval of the county or municipal government (as applicable).

We believe these are threshold matters for an application from FTZ 135 seeking approval of a service area that includes all of Palm Beach, Martin and St. Lucie Counties. We will not be able to docket this application until these concerns are addressed. It appears that options to address these concerns would include the following:

- 1) modifying the proposed service area to include only the port district;
- 2) modifying the proposed service area to include only Palm Beach County and providing general letters from the county and any municipalities within the county that fall outside the port district "approving" any future sites of FTZ 135 in their respective jurisdictions;
- 3) amending the grantee's charter to allow the grantee to sponsor zone sites outside Palm Beach County and providing general letters from each of the counties within the proposed service area and any municipalities within those counties that fall outside the port district "approving" any future sites of FTZ 135 in their respective jurisdictions; and,
- 4) amending the grantee's charter to a) allow the grantee to sponsor zone sites outside Palm Beach County and b) eliminate the current requirement for the grantee to obtain approval from the relevant county or municipality for sites outside the port district.

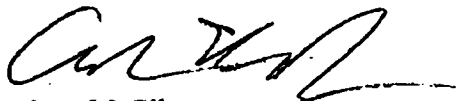
We ask that FTZ 135 and its legal advisors review these matters and inform us in writing of the outcome of that review.

The FTZ Staff analyst has also provided the following comments (which appear to be minor in nature) on other parts of the application:

1. Questions 5 and 6. The correct acreage for Site 6 is 282 acres, not 286.
2. Question 10(a). Please describe in detail why this site was chosen for the requested waiver of sunset limits (*e.g.*, publicly-owned).
3. Question 11(a). Please provide Part III of Chapter 288 in its entirety. Per Section 288.38 – Applicability of state laws and rules concerning citrus fruits and products, please include in the application letter (Question 2) a statement that "all laws of this state and rules of the Florida Department of Citrus applicable to citrus fruit and processed citrus products shall equally apply within any foreign trade zone so established."

If you have any questions or additional comments/information you wish to provide, please contact Camille Evans of my staff at (202) 482-2350.

Sincerely,



Andrew McGilvray
Executive Secretary

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A bill to be entitled
 An act relating to the Port of Palm Beach District,
 Palm Beach County; amending chapter 74-570, Laws of
 Florida, as amended; increasing commissioner
 compensation; providing a source for the compensation;
 prohibiting compensation from coming from certain
 revenues; revising approval of foreign trade zones;
 providing an effective date.

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

Section 1. Section 3 of article VI of chapter 74-570, Laws
 of Florida, as amended by chapter 99-457, Laws of Florida, is
 amended to read:

ARTICLE VI. ORGANIZATION AND COMPENSATION OF BOARD OF
 COMMISSIONERS.—

Section 3. Compensation ~~Salary~~ of commissioners.—The
initial salary of each commissioner, regardless of the office
~~that he or she shall hold,~~ shall be \$16,000. Thereafter, the
salary may be adjusted annually by up to 3 percent by a majority
vote of the commission ~~nine thousand five hundred dollars~~
~~(\$9,500) per annum, payable in monthly installments. These~~
salaries shall be funded from the operating revenues of the port
district and may not be funded from ad valorem tax revenues.

25 Section 2. Subsection (5) of section 1 of article VIII of
 26 chapter 74-570, Laws of Florida, as amended by chapter 90-462,
 27 Laws of Florida, is amended to read:

28 ARTICLE VIII. GRANT OF POWERS TO BOARD OF COMMISSIONERS.—

29 Section 1. General powers.—The Port of Palm Beach District
 30 by and through its Board of Commissioners, in addition to powers
 31 set forth elsewhere herein, shall have full and complete power
 32 and authority:

33 (5) The establishment of foreign trade zones.—To exercise
 34 complete and exclusive control over the port and harbor
 35 facilities within the port district; ~~and to apply to the proper~~
 36 ~~public authorities of the United States of America for the right~~
 37 ~~to establish, operate, and maintain foreign or domestic trade~~
 38 ~~zones inside or outside of or ~~subzones within or without~~ the~~
 39 ~~boundaries of the port district, and to operate and maintain~~
 40 ~~such foreign and domestic trade zones.; provided, However, that~~
 41 ~~such foreign trade zones must shall comply with federal laws and~~
 42 ~~regulations applicable to foreign trade zones, and such foreign~~
 43 ~~trade zones are subject to all local government codes,~~
 44 ~~ordinances, and other laws shall be located within the corporate~~
 45 ~~limits of Palm Beach County; and provided further that the trade~~
 46 ~~zone, if operating, shall maintain trade zone operations within~~
 47 ~~the boundaries of the port district. In the event a trade zone~~
 48 ~~site is established outside the boundaries of the port district,~~
 49 ~~the county government, or, if within an incorporated area, the~~
 50 ~~local municipal government, shall have approved the~~

51 ~~establishment of the trade zone within its jurisdiction, and~~
 52 ~~such trade zone site shall be subject to such local government's~~
 53 ~~applicable codes and ordinances. In the event the Board of~~
 54 ~~Commissioners of the Port of Palm Beach District approves a~~
 55 ~~grant of the right to operate any portion of a foreign or~~
 56 ~~domestic trade zone to a private owner-operator, such grant~~
 57 ~~shall be in writing and shall include the obligation of the~~
 58 ~~owner-operator to provide to and maintain with the Port of Palm~~
 59 ~~Beach District comprehensive general liability insurance with~~
 60 ~~minimum coverage amounts as determined by the Port of Palm Beach~~
 61 ~~District, and indemnity, and hold harmless agreements for any~~
 62 ~~damages, claims, liabilities, losses, fines, demands, and costs~~
 63 ~~which may arise out of the owner-operator's acts or omissions~~
 64 ~~related to such foreign or domestic trade zone.~~

65 Section 3. This act shall take effect upon becoming a law.



Amendment No.

COMMITTEE/SUBCOMMITTEE 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 Committee/Subcommittee hearing bill: Local & Federal Affairs
 2 Committee
 3 Representative Ray offered the following:

Amendment (with title amendment)

Remove lines 12-24

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

Remove lines 4-7 and insert:

Florida, as amended; revising approval of foreign trade zones;

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 7001 PCB LGAS 16-01 Special District Accountability
SPONSOR(S): Local Government Affairs Subcommittee, Ray
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Local Government Affairs Subcommittee	13 Y, 0 N	Miller	Miller
1) Economic Development & Tourism Subcommittee	12 Y, 0 N	White	Duncan
2) Local & Federal Affairs Committee		Miller	Kiner <i>KLK</i>

SUMMARY ANALYSIS

“Special Districts” are a type of limited local government created to perform specific services within a described geographic area. Sometimes called special taxing districts, most are created either by special act (independent special districts) or county or municipal ordinance (dependent special districts). The Special District Accountability Program in the Department of Economic Opportunity (DEO) is responsible for creating and maintaining a current list of all special districts in Florida, as provided in ch. 189, F.S., the Uniform Special District Accountability Act.

When a special district fails to meet certain statutory responsibilities, no longer functions, or informs DEO it is no longer active, DEO is required to follow the statutory process before declaring the district inactive. This includes documenting one or more statutory criteria for inactive status, publishing notice in the area of the district of DEO’s intent to declare the district inactive, and documenting the lack of any objection to declaring the district inactive. DEO is required to deliver written notice of the declaration of inactive status to specific authorities. If the district was created by special act, notice is delivered to the Speaker of the House, the President of the Senate, and the standing committees in each chamber responsible for special district oversight. If the district was created by local ordinance, notice is delivered to the governing body of the county or municipality that created the district. A special district declared inactive may not collect taxes, assessments, or fees while the declaration is in effect.

A special district declared inactive still exists until its legal authority is repealed by the creating entity. Currently, this means DEO continues to list active and inactive districts on the official list.

HB 7001 amends ch. 189, F.S., by excluding districts declared inactive from the official list of special districts. The bill requires DEO to remove all districts declared inactive from the official list and place them on a separate listing exclusively for inactive districts. A district would be removed from the inactive list only if DEO declared it to have resumed active status, the district is merged with another entity of local government, or the district is dissolved.

The bill also makes conforming technical changes to related statutes. Section 189.071(2), F.S., is amended to clarify its provisions on merger or dissolution of dependent districts created and operating under special law apply to *active* districts. Sections 189.071(3) and 189.072(3), F.S., each authorizing dissolution by special act if a district meets any of the statutory criteria for being declared inactive, are amended to remove the same redundant alternative phrase “or that has already been declared inactive.”

The bill has a potential impact on DEO expenditures by requiring the creation and maintenance of a separate list for inactive districts. However, with the present flexibility in formatting and features already programmed into the Special District Accountability Program website, any additional expenses are likely minimal.

The bill provides an effective date of July 1, 2016.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

A "special district" is a unit of local government created for a particular purpose, with jurisdiction to operate within a limited geographic boundary. Special districts are created by general law,¹ special act,² local ordinance,³ or by rule of the Governor and Cabinet.⁴ A special district has only those powers expressly provided by, or reasonably implied from, the authority provided in the district's charter. Special districts provide specific municipal services in addition to, or in place of, those provided by a municipality or county.⁵ A special district may be "dependent"⁶ or "independent."⁷

The Special District Accountability Program within the Department of Economic Opportunity (DEO) is responsible for maintaining and electronically publishing the official list of all special districts in Florida.⁸ The official list currently reports all active special districts as well as those declared inactive by DEO.

According to DEO's Special District Accountability Program official list, the state currently has 1,663 active special districts comprised of 636 dependent and 1,027 independent special districts. Ten special districts are inactive.⁹

Whether dependent or independent, when a special district no longer fully functions or fails to meet its statutory responsibilities, DEO is required to declare that district inactive by following a specified process.¹⁰ DEO must first document the factual basis for declaring the district inactive.

A special district may be declared inactive if it meets one of six specific factors:

- The registered agent of the district, the chair of the district governing body, or the governing body of the appropriate local general-purpose government:
 - Provides DEO with written notice that the district has taken no action for 2 or more years.¹¹

¹ Section 189.031(3), F.S.

² Id.

³ Section 189.02(1), F.S.

⁴ Section 190.005(1), F.S. *See, generally*, s. 189.012(6), F.S.

⁵ 2015 – 2016 Local Gov't Formation Manual, p. 67, at

<http://myfloridahouse.gov/Sections/Committees/committeesdetail.aspx?CommitteeId=2836> (accessed 9/28/2015).

⁶ Section 189.012(2), F.S. A special district where the membership of the governing body is identical to the governing body of a single county or municipality, all members of the governing body are appointed by the governing body of a single county or municipality, members of the district's governing body are removable at will by the governing body of a single county or municipality, or the district's budget is subject to the approval of governing body of a single county or municipality.

⁷ Section 189.012(3), F.S. A special district that is not a dependent district.

⁸ Sections 189.061(1), 189.064(2), F.S. DEO maintains the current official list at

<https://dca.deo.myflorida.com/fhcd/sdip/OfficialListdeo/> (accessed 9/28/2015).

⁹ Florida DEO, Official List of Special Districts Online, *available at*

<https://dca.deo.myflorida.com/fhcd/sdip/OfficialListdeo/StateTotals.cfm> (accessed 11/25/2015).

¹⁰ Section 189.062(1), F.S. Prior to 2014, the former statute required DEO to document the existence of one of five criteria listed in paragraph (1)(a), publication and service under paragraph (1)(b) of a notice of intent to declare the district inactive, and the lack of any administrative appeal of the declaration within 21 days of that publication. Section 189.4044, F.S. (2013). In 2014, as ch. 189, F.S., was extensively revised and restructured, the word "or" was added at the end of s. 189.062(1)(a)6, F.S., apparently allowing DEO either to document one of the six criteria *or* publish notice of intent to declare inactive and find no appeal is filed. Chapter 2014-22, s. 24, Laws of Florida. During the 2015 regular legislative session, the Florida Senate passed CS/SB 1388, its version of a bill resolving technical issues stemming from the 2014 revisions, which would have amended s. 189.062(1)(a)6, F.S., by removing the word "or." CS/SB 1388 (2015), s. 11, at line 414 (bill did not pass the Legislature). DEO still uses the 3-step process as described in the 2013 statute.

¹¹ Section 189.062(1)(a)1., F.S.

- Provides DEO with written notice that the district has not had any members on its governing body or insufficient numbers to constitute a quorum for 2 or more years.¹²
- Fails to respond to an inquiry from DEO within 21 days.¹³
- Following statutory procedure,¹⁴ DEO determines the district failed to file specified reports,¹⁵ including required financial reports.¹⁶
- For more than 1 year, no registered office or agent for the district was on file with DEO.¹⁷
- The governing body of the district unanimously adopts a resolution declaring the district inactive and provides documentation of the resolution to DEO.¹⁸

Once DEO determines which criterion applies to the district, notice of the proposed declaration of inactive status is published by DEO, the local general-purpose government for the area where the district is located, or the district itself.¹⁹ The notice must state that any objections to declaring the district inactive must be filed with DEO pursuant to chapter 120, F.S.,²⁰ within 21 days after the publication date.²¹ If no objection is filed within the 21 day period, DEO declares the district inactive.²²

After declaring certain special districts as being inactive, DEO must send written notice of the declaration to the authorities which created the district. If the district was created by special act, DEO sends written notice to the Speaker of the House, the President of the Senate, and the standing committees in each chamber responsible for special district oversight.²³

The property and assets of a special district declared inactive by DEO are first used to pay any debts of the district. Any remaining property or assets then escheat to the county or municipality in which the district was located. If the district's assets are insufficient to pay its outstanding debts, the local general-purpose government in which the district was located may assess and levy within the territory of the inactive district such taxes as necessary to pay the remaining debt.²⁴

A district declared inactive may not collect taxes, fees, or assessments.²⁵ This prohibition continues until the declaration of invalidity is withdrawn or revoked by DEO²⁶ or invalidated in an administrative proceeding²⁷ or civil action²⁸ timely brought by the governing body of the special district.²⁹ Failure of the special district to challenge (or prevail against) the declaration of inactive status enables DEO to enforce the statute through a petition for enforcement in circuit court.³⁰

¹² Section 189.062(1)(a)2., F.S.

¹³ Section 189.062(1)(a)3., F.S.

¹⁴ Section 189.067, F.S.

¹⁵ Section 189.066, F.S.

¹⁶ Section 189.062(1)(a)4., F.S. *See*, ss. 189.016(9), 218.32, 218.39, F.S.

¹⁷ Section 189.062(1)(a)5., F.S.

¹⁸ Section 189.062(1)(a)6., F.S.

¹⁹ Publication must be in a newspaper of general circulation in the county or municipality where the district is located and a copy sent by certified mail to the district's registered agent or chair of the district's governing body, if any.

²⁰ The Florida Administrative Procedure Act.

²¹ Section 189.062(10)(b), F.S. The published notice also must include the name of the district, the law under which it was organized and operating, and a description of the district's territory.

²² Section 189.062(1)(c), F.S.

²³ Section 189.062(3), F.S. The statute provides that the declaration of inactive status is sufficient notice under art. III, s. 10 of the Florida Constitution to authorize the repeal of special laws creating or amending the charter of the inactive district. This statute stands in lieu of the normal requirement for publication of notice of intent to file a local bill at least 30 days before introducing the bill in the Legislature, under s. 11.02, F.S.

²⁴ Section 189.062(2), F.S.

²⁵ Section 189.062(5), F.S.

²⁶ Section 189.062(5)(a), F.S.

²⁷ Section 189.062(5)(b)1., F.S. Administrative proceedings are conducted pursuant to s. 120.569, F.S.

²⁸ Section 189.062(5)(b)2., F.S. The action for declaratory and injunctive relief is brought under ch. 86, F.S.

²⁹ The special district must initiate the legal challenge within 30 days after the date the written notice of the department's declaration of inactive status is provided to the special district. Section 189.062(5)(b), F.S.

³⁰ Section 189.062(5)(c), F.S. The enforcement action is brought in the circuit court in and for Leon County.

Declaring a special district to be inactive does not dissolve the district or otherwise cease its legal existence. Subsequent action is required to repeal the legal authority creating the district, whether by the Legislature³¹ or the entity that created the district.³²

Effect of the Proposed Changes

The bill modifies the reporting duties of DEO in two ways. First, the bill excludes all districts declared inactive from the official list of special districts. Second, the bill requires DEO to create a separate list of all special districts declared inactive under s. 189.062, F.S. Districts are to remain on the inactive list until restored to active status, merged with another entity,³³ or dissolved.³⁴

The bill also removes redundant language referring to whether a special district meets one of the criteria to be declared inactive or in fact has been declared inactive by DEO.

B. SECTION DIRECTORY:

- Section 1: Creates s. 189.061(7), F.S., requiring all districts declared inactive under s. 189.062, F.S., be excluded from the official list of special districts.
- Section 2: Creates s. 189.062(6), F.S., requiring DEO immediately remove districts declared inactive from the official list of special districts and to create a separate list of all districts declared inactive.
- Section 3: Makes clarifying changes to s. 189.071, F.S., specifying that certain merger or dissolution actions pertain to an active special district, and removing redundant language.
- Section 4: Makes a clarifying change to s. 189.072(3), F.S., by removing redundant language.
- Section 5: Provides the effective date of the bill is July 1, 2016.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

- 1. Revenues:
None
- 2. Expenditures:
None (see Fiscal Comments below)

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

- 1. Revenues:
None

³¹ Sections 189.071(3), 189.072(3), F.S.

³² Section 189.062(4), F.S. Unless otherwise provided by law or ordinance, dissolution of a special district transfers title to all district property to the local general-purpose government, which also must assume all debts of the dissolved district. Section 189.076(2), F.S.

³³ Sections 189.071, 189.074, F.S.

³⁴ Sections 189.071, 189.072, F.S. The official declaration of inactive status does not repeal the legal authority creating the district or otherwise dissolve the special district.

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None

D. FISCAL COMMENTS:

DEO may have an increase in operating expenses to create and maintain a separate list of special districts declared inactive, however that increase appears to be inconsequential due to the present structure of reporting options for the official list currently used on the DEO website.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The bill does not appear to implicate the provisions of article VII, s. 18, Florida Constitution.

2. Other:

None

B. RULE-MAKING AUTHORITY:

The bill neither authorizes nor requires implementation through administrative rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

27 development districts shall be independent on the official list
 28 of special districts.

29 (b) The official list shall exclude all districts declared
 30 inactive as provided in s. 189.062.

31 Section 2. Subsection (6) is added to section 189.062,
 32 Florida Statutes, to read:

33 189.062 Special procedures for inactive districts.—

34 (6)(a) The department shall immediately remove each
 35 special district declared inactive as provided in this section
 36 from the official list of special districts maintained as
 37 provided in ss. 189.061 and 189.064.

38 (b) The department shall create a separate list of all
 39 special districts declared inactive as provided in this section
 40 and shall maintain each such district on such inactive list
 41 until the department determines that the district has resumed
 42 active status, the district is merged as provided in s. 189.071
 43 or s. 189.074, or the district is dissolved as provided in s.
 44 189.071 or s. 189.072.

45 Section 3. Subsections (2) and (3) of section 189.071,
 46 Florida Statutes, are amended to read:

47 189.071 Merger or dissolution of a dependent special
 48 district.—

49 (2) The merger or dissolution of an active a dependent
 50 special district created and operating pursuant to a special act
 51 may be effectuated only by further act of the Legislature unless
 52 otherwise provided by general law.

53 (3) A dependent special district that meets any criteria
 54 for being declared inactive, ~~or that has already been declared~~
 55 ~~inactive~~, pursuant to s. 189.062 may be dissolved or merged by
 56 special act without a referendum.

57 Section 4. Subsection (3) of section 189.072, Florida
 58 Statutes, is amended to read:



59 189.072 Dissolution of an independent special district.—

60 (3) INACTIVE INDEPENDENT SPECIAL DISTRICTS.—An independent
 61 special district that meets any criteria for being declared
 62 inactive, ~~or that has already been declared inactive~~, pursuant
 63 to s. 189.062 may be dissolved by special act without a
 64 referendum. If an inactive independent special district was
 65 created by a county or municipality through a referendum, the
 66 county or municipality that created the district may dissolve
 67 the district after publishing notice as described in s. 189.062.

68 Section 5. This act shall take effect July 1, 2016.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HM 333 Recognition of Haitian Independence Day, Haitian Flag Day, & Haitian Heritage Month
SPONSOR(S): Campbell and others
TIED BILLS: IDEN./SIM. BILLS: SM 600

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Local & Federal Affairs Committee		Walker 	Kiner 
2) State Affairs Committee			

SUMMARY ANALYSIS

Congress has passed legislation relating to national observances and commemorative months on several occasions. For example, Congress has passed legislation to commemorate or authorize the President to proclaim February as 'National African American History Month,' November as 'Native American Heritage Month,' May as 'Jewish American Heritage Month,' May as 'Asian Pacific Heritage Month,' and the period beginning September 15 and ending October 15 as 'National Hispanic Heritage Month.' In addition, Congress has passed legislation to commemorate or authorize the President to proclaim several days of national observance such as Flag Day on June 14, and Native American Heritage Day on the first Friday after Thanksgiving.

HM 333 urges Congress to recognize January 1st as 'Haitian Independence Day,' May 18 as 'Haitian Flag Day,' and the month of May as 'Haitian Heritage Month.'

Legislative memorials are not subject to the Governor's veto power and are not presented to the Governor for review. Memorials have no force of law, as they are mechanisms for formally petitioning the federal government to act on a particular subject.

This memorial does not have a fiscal impact on state or local governments.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Background

Located in the Caribbean on the western one-third of the island of Hispaniola, Haiti is a country of approximately 10 million people.¹ Due in part to Haiti's close proximity to the United States, there are approximately 1.5 million² people of Haitian descent living in this country – a large portion of whom reside in and around the city of Miami and the greater South Florida area.

The month of May is of great cultural significance to the people of Haiti and the Haitian diaspora, and as such, many events and celebrations are held during the month throughout the country. 'Haitian Flag Day,' which is among Haiti's most celebrated holidays, is celebrated on May 18th. Toussaint L'Ouverture, one of the leaders of the Haitian Revolution, is reported to have been born on May 20, 1743.

In addition, various governmental entities in the United States have issued resolutions or proclamations recognizing the importance of May in Haitian and Haitian American culture, including, but not limited to, the following:

- In 2001, Miami-Dade County passed a resolution designated May as 'Haitian Cultural Heritage Month' and has held annual celebrations in the county ever since³⁴;
- In 2003, the Palm Beach County School District issued a resolution recognizing May as 'Haitian Heritage Month'⁵;
- In 2015, the Governor of the Commonwealth of Massachusetts proclaimed the month of May 2015 to be 'Haitian Heritage Month'⁶;
- In 2015, the Mayor of the City of Boston and the City of Boston City Council issued separate proclamations to designate the month of May as 'Haitian Heritage Month' and to specifically honor 'Haitian Flag Day'⁷.

At the federal level, several resolutions have been introduced in the United States House of Representatives to recognize May as 'Haitian American Heritage Month'. For example, House Resolution 777, sponsored by former Congressman Kendrick Meek, was introduced, but never heard, during the 109th Congress.⁸ Additionally, House Resolution 224, sponsored by Congresswoman Frederica Wilson, was introduced, but never heard, during the 113th Congress.⁹

¹ UNITED STATES CENTRAL INTELLIGENCE AGENCY, *The World Factbook: Haiti*, <https://www.cia.gov/library/publications/the-world-factbook/geos/ha.html> (last visited Feb. 23, 2016).

² U.S. CENSUS BUREAU, *2013 & 2014 American Community Survey*, available at, <https://www.census.gov/programs-surveys/acs/news/data-releases.html>.

³ MIAMI-DADE BOARD OF COUNTY COMMISSIONERS, *County Resolution R-452-01*, <http://www.miamidade.gov/govaction/matter.asp?matter=011622&file=false&yearFolder=Y2001> (Feb. 23, 2016).

⁴ MIAMI-DADE COUNTY, *Haitian Cultural Heritage Month kicks off on May 1*, <http://www.miamidade.gov/district02/releases/2015-04-24-haitian-month.asp> (last visited Feb. 23, 2016).

⁵ A copy of the resolution, dated April 23, 2003, is on file with the House of Representatives Local & Federal Affairs Committee.

⁶ THE OFFICIAL WEBSITE OF THE GOVERNOR OF MASSACHUSETTS, *Issued Proclamations, Haitian Heritage Month*, available at <http://www.mass.gov/governor/constituent-services/recognition/issued-proclamations/haitian-heritage-month.html>.

⁷ A copy of each resolution is on file with the House of Representatives Local & Federal Affairs Committee.

⁸ 109TH CONGRESS 2005-2006, *H.Res. 777 - Expressing the sense of the House of Representatives, in recognition of the contributions of the Haitian people to the history and culture of the United States, by establishing "Haitian-American Heritage Month"*, available at <https://www.congress.gov/bill/109th-congress/house-resolution/777?q=%7B%22search%22%3A%5B%22%5C%22hres777%5C%22%22%5D%7D&resultIndex=5>.

⁹ 113TH CONGRESS 2013-2014, *H.Res. 224 - Expressing the sense of the House of Representatives that a "Haitian-American Heritage Month" should be established in recognition of the contributions of the Haitian people to the history and culture of the United States*, available at <https://www.congress.gov/bill/113th-congress/house->

Congress has passed legislation relating to national observances and commemorative months on several occasions. For example, Congress has passed legislation to commemorate or authorize the President to proclaim February as 'National African American History Month,' November as 'Native American Heritage Month,'¹⁰ May as 'Jewish American Heritage Month,' May as 'Asian Pacific Heritage Month,' and the period beginning September 15 and ending October 15 as 'National Hispanic Heritage Month'.¹¹ In addition, Congress has passed legislation to commemorate or authorize the President to proclaim several days of national observance such as Flag Day on June 14¹², and Native American Heritage Day on the first Friday after Thanksgiving.¹³

Effect of the Memorial

This memorial urges Congress to recognize January 1st as 'Haitian Independence Day,' May 18 as 'Haitian Flag Day,' and the month of May as 'Haitian Heritage Month.'

Copies of the memorial will be sent to the President of the United States, to the President of the United States Senate, to the Speaker of the United States House of Representatives, and to each member of the Florida delegation to the United States Congress.

Legislative memorials are not subject to the Governor's veto power and are not presented to the Governor for review. Memorials have no force of law, as they are mechanisms for formally petitioning the federal government to act on a particular subject.

This memorial does not have a fiscal impact on state or local governments.

B. SECTION DIRECTORY:

Not applicable.

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:

resolution/224?q=%7B%22search%22%3A%5B%22%5C%22hres224%5C%22%22%5D%7D&resultIndex=2 (Last viewed on 9/29/2015).

¹⁰ The observance was first authorized by President H.W. Bush in 1990 under the title 'National American Indian Heritage Month' and has since been titled under several variations. The current title of the observation is 'Native American Heritage Month.' LIBRARY OF CONGRESS, *About Native American Heritage Month*, <http://nativeamericanheritagemonth.gov/about/> (last visited Feb. 23, 2016).

¹¹ LIBRARY OF CONGRESS, *Commemorative Observances*, <http://www.loc.gov/law/help/commemorative-observations/index.php> (Last visited Feb. 23, 2016).

¹² House Joint Resolution 211, Pub. L. 99-54 (1985), available at

https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=3&ved=0ahUKEwiSj5qJs4zLAhWHHR4KHf7DCGoQFggpMAI&url=https%3A%2F%2Fwww.gpo.gov%2Ffdsys%2Fpkg%2FSTATUTE-99%2Fpdf%2FSTATUTE-99-Pg97.pdf&usg=AFQjCNH77ULTKF7_aCvD_cIt6GQW2V8gg.

¹³ House Joint Resolution 40, Pub. L. 111-33 (2009), available at

https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&ved=0ahUKEwj_n7O5sYzLAhULmR4KHfKgAWMQFggcMAA&url=https%3A%2F%2Fwww.gpo.gov%2Ffdsys%2Fpkg%2FSTATUTE-123%2Fpdf%2FSTATUTE-123-Pg1922.pdf&usg=AFQjCNHgUui0zBxm0sz54PUC3H6kPzc8vg&bvm=bv.114733917,d.dmo.

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None.

2. Expenditures:

None.

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.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

House Memorial

A memorial to the Congress of the United States, urging Congress to annually recognize January 1 as "Haitian Independence Day," May 18 as "Haitian Flag Day," and the month of May as "Haitian Heritage Month."

WHEREAS, the Republic of Haiti, an island nation located in the West Indies on the western third of the Island of Hispaniola, declared its independence from French colonial rule on January 1, 1804, following a slave revolt under the leadership of Generals Toussaint L'Ouverture, Jean-Jacques Dessalines, and Alexandre Pétion, becoming the first and only state created from a successful slave rebellion, and

WHEREAS, Haiti was the first independent nation in Latin America and the first post-colonial independent nation led by blacks in the world, and

WHEREAS, Haitian Independence Day is globally acknowledged and annually celebrated on January 1 as an affirmation of equality, freedom, and the abolition of slavery, and

WHEREAS, the Haitian flag known today, a variant of which first came into use in 1806, is emblazoned with the country's coat of arms and the colors red and blue, adopted from the flag of France, the country from which Haiti gained its independence, and

26 WHEREAS, General Jean-Jacques Dessalines is regarded as the
 27 father of the Haitian flag, known to have dramatically cut the
 28 French tricolor with his saber at the May 1803 Arcahayé
 29 conference, ripping away the white of the French flag to
 30 symbolize an end to European influence and leaving two strips
 31 that Catherine Flon then sewed back together: the blue, which
 32 represented the former African slaves brought to Haiti by
 33 colonial powers, and the red, which symbolized a people of mixed
 34 ancestry, and

35 WHEREAS, the Haitian flag is a definitive symbol of pride
 36 for the Caribbean nation, having become the second republic,
 37 after the United States, to defeat a European colonial power in
 38 the Americas, and

39 WHEREAS, Haitian Flag Day events are annually observed and
 40 celebrated with pride and enthusiasm throughout the United
 41 States, and

42 WHEREAS, Haitian Heritage Month is a jubilant celebration
 43 in the United States, embracing Haitian heritage and culture,
 44 and

45 WHEREAS, first celebrated in Boston, Massachusetts, in
 46 1998, Haitian Heritage Month is observed nationwide in the month
 47 of May from Florida to New York with parades, festivals, and
 48 school activities, and

49 WHEREAS, the importance of Haitian Heritage Month is
 50 exemplified by South Florida Congressman Kendrick B. Meek's
 51 introduction of a bill in the United States House of

52 Representatives in 2004 and 2006 to recognize the month of May
 53 as Haitian Heritage Month, by former President George W. Bush
 54 and First Lady Laura Bush's letter, sent in May 2005, to
 55 congratulate the Haitian-American community on the occasion of
 56 the heritage month, and by the organization of a celebration at
 57 the White House that same year, and

58 WHEREAS, as educators, authors, community leaders,
 59 activists, athletes, artists, musicians, and politicians,
 60 Haitians and Haitian Americans have left an indelible mark on
 61 every facet of this nation's society and the world, evidenced by
 62 the accomplishments of such icons as Jean Baptiste Point du
 63 Sable, founder of the City of Chicago; civil rights activist
 64 W. E. B. Du Bois; National Football League player Pierre Garçon;
 65 author and candidate for the Nobel Prize for Literature in 2009,
 66 Frankétienne; and Tony Award-winning actress and singer Nikki M.
 67 James, and

68 WHEREAS, the close proximity of Haitian and American
 69 shores, in conjunction with our countries' common bond of mutual
 70 values and commitment to democracy, ensures lasting comity of
 71 nations and continued trade and diplomatic relations, and

72 WHEREAS, with an estimated 1.5 million persons of Haitian
 73 descent now residing in the United States, it is important to
 74 acknowledge the positive impact of Haitian Americans in their
 75 contribution to the betterment and diversity of this country,
 76 and

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77 WHEREAS, the United States and Haiti share a history of
 78 freedom, a common belief in human rights, and diverse, complex,
 79 and resilient peoples who have impacted the world through
 80 vibrant cultures, democracy, and a wealth of talent and
 81 achievement, and

82 WHEREAS, Haitian Independence Day, Haitian Flag Day, and
 83 Haitian Heritage Month are each observed to salute the Haitian
 84 and Haitian-American communities and to exhibit appreciation for
 85 their culture and heritage, which have immeasurably enriched the
 86 lives of the people of this nation, NOW, THEREFORE,

87

88 Be It Resolved by the Legislature of the State of Florida:

89

90 That the Congress of the United States is urged to
 91 recognize January 1 of each year as "Haitian Independence Day,"
 92 May 18 of each year as "Haitian Flag Day," and the month of May
 93 of each year as "Haitian Heritage Month" and to encourage the
 94 people of the United States to observe these occasions with
 95 appropriate ceremonies, celebrations, and activities.

96 BE IT FURTHER RESOLVED that copies of this memorial be
 97 dispatched to the President of the United States, to the
 98 President of the United States Senate, to the Speaker of the
 99 United States House of Representatives, and to each member of
 100 the Florida delegation to the United States Congress.

