



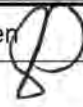
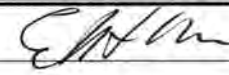
Local, Federal & Veterans Affairs Subcommittee

January 25, 2017
9:00 AM – 11:00 AM
12 HOB

Meeting Packet

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 139 Local Tax Referenda
SPONSOR(S): Ingoglia and others
TIED BILLS: IDEN./SIM. **BILLS:** SB 278

| REFERENCE | ACTION | ANALYST | STAFF DIRECTOR or BUDGET/POLICY CHIEF |
|---|--------|--|--|
| 1) Local, Federal & Veterans Affairs Subcommittee | | Darden  | Miller  |
| 2) Ways & Means Committee | | | |
| 3) Government Accountability Committee | | | |

SUMMARY ANALYSIS

The Florida Constitution preempts all forms of taxation, except for ad valorem taxes on real estate and tangible personal property, to the state unless otherwise provided by general law. Section 212.055, F.S., provides counties limited authority to levy discretionary sales surtaxes for specific purposes on transactions subject to state sales tax. With some exceptions, discretionary sales surtaxes generally are subject to approval by a majority of the qualified electors in a referendum.

Forty-nine counties and sixteen school districts across the state levy at least one local discretionary sales surtax. These surtaxes will generate an estimated \$2.2 billion in revenue during fiscal year 2016-17.

The bill requires any referendum to levy a discretionary sales surtax to be held during a general election and approved by a majority of electors voting on the ballot question.

The bill provides an effective date of July 1, 2017.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Introduction

Discretionary Sales Surtax

The Florida Constitution preempts all forms of taxation, except for ad valorem taxes on real estate and tangible personal property, to the state unless otherwise provided by general law.¹ By statute, counties have limited authority to levy a discretionary sales surtax for specific purposes on transactions subject to state sales tax.² These purposes include:

- Operating a transportation system in a charter county;³
- Financing local government infrastructure projects;⁴
- Providing additional revenue for counties having less than 50,000 residents as of April 1, 1992;⁵
- Providing medical care for indigent persons;⁶
- Funding trauma centers;⁷
- Operating, maintaining, and administering a county public general hospital;⁸
- Constructing and renovating schools;⁹
- Providing emergency fire rescue services and facilities; and¹⁰
- Funding pension liability shortfalls.¹¹

The surtax is collected by the Department of Revenue (DOR) using the same procedures utilized for the administration, collection, and enforcement of the general state sales tax.¹² DOR places these funds into the Discretionary Sales Surtax Clearing Trust Fund. A separate account is established for each county imposing a discretionary surtax. The proceeds of the surtax are distributed to the county on a monthly basis, minus an administrative fee of the lesser of three percent or administrative costs solely and directly attributable to the surtax. Each county is liable for administrative costs equal to its prorated share of discretionary sales surtax revenue to the amount collected statewide.¹³

New surtaxes and rate changes to existing surtaxes take effect on January 1, while the repeal of an existing surtax takes effect on December 31.¹⁴ The governing body of the county or the school district must notify DOR of the imposition, termination, or rate change of a discretionary sales surtax within 10 days of final adoption by ordinance or referendum, but no later than November 16. The notification must include the duration of the surtax, the surtax rate, a copy of the ordinance, and any additional information DOR requires by rule.¹⁵ If the county or school district fails to provide timely notice, the

¹ Art. VII, s. 1(a), Fla. Const..

² Section 212.054, F.S.; s. 212.055, F.S.

³ Section 212.055(1), F.S.

⁴ Section 212.055(2), F.S.

⁵ Section 212.055(3), F.S.

⁶ Section 212.055(4)(a), F.S. (for counties with more than 800,000 residents); s. 212.055(7), F.S. (for counties with less than 800,000 residents)

⁷ Section 212.055(4)(b), F.S.

⁸ Section 212.055(5), F.S.

⁹ Section 212.055(6), F.S.

¹⁰ Section 212.055(8), F.S.

¹¹ Section 212.055(9), F.S.

¹² Section 212.054(4)(a), F.S.

¹³ Section 212.054(4)(b), F.S.

¹⁴ Section 212.054(5), F.S.

¹⁵ Section 212.054(7)(a), F.S.

effective date of the change is delayed by one year.¹⁶ Counties and school districts are also required to notify DOR if a referendum or consideration of an ordinance to impose, terminate, or change the rate of a surtax is to occur after October 1.¹⁷

The forty-nine counties and fifteen school districts levying one or more discretionary sales surtaxes are projected to realize \$2.2 billion in revenue in fiscal year 2016-17.¹⁸ If all counties and school districts levied discretionary sales surtaxes at the maximum possible rate, they would be projected to raise \$11.68 billion in revenue in fiscal year 2016-17.¹⁹

Most local discretionary sales surtaxes may only be approved by referendum, while some may be approved by an extraordinary vote of the county commission.²⁰ For those requiring voter approval, the referendum must be approved by a majority of electors voting.²¹ Except for the emergency fire rescue services and facilities surtax, the date of the referendum is at the discretion of the county commission.²²

Referendum Process

The Florida Election Code states the general requirements for a referendum.²³ The question presented to voters must contain a ballot summary with clear and unambiguous language, such that a "yes" or "no" vote on the measure indicates approval or rejection, respectively.²⁴ The ballot summary should explain the chief purpose of the measure and may not exceed 75 words.²⁵ The ballot summary and title must be included in the resolution or ordinance calling for the referendum.²⁶ For some discretionary sales surtaxes, the form of the ballot question is specified by statute.²⁷

Five types of elections exist under the Election Code: primary elections, special primary elections, special elections, general elections, and presidential preference primary elections.²⁸ A "general election" is held on the first Tuesday after the first Monday in November in even-numbered years to fill national, state, county, and district offices, and for voting on constitutional amendments.²⁹

Effect of Proposed Changes

The bill requires any referendum to levy a discretionary sales surtax to be held during a general election and to be approved by a majority of electors voting on the ballot question.

B. SECTION DIRECTORY:

Section 1: Amends 212.055, F.S., requiring discretionary sales surtax referendums to be during a general election and approved a majority of electors voting on the ballot question.

¹⁶ *Id.*

¹⁷ Section 212.054(7)(b), F.S. The deadline for this notification is October 1.

¹⁸ *2016 Florida Tax Handbook*, Office of Economic and Demographic Research, p. 216.

¹⁹ *2016 Local Government Financial Information Handbook*, Office of Economic and Demographic Research, p. 150.

²⁰ *See generally* s. 212.055, F.S., *but see* s. 212.055(3), F.S. (small county surtax may be approved by extraordinary vote of the county commission, as long as surtax revenues are not used for servicing bond indebtedness), s. 212.055(4), F.S. (indigent care and trauma center surtax may be approved by extraordinary vote of the county commission), and s. 212.055(5), F.S. (county public hospital surtax may be approved by extraordinary vote of the county commission).

²¹ Section 212.055, F.S.

²² *E.g.* s. 212.055(1)(c), F.S. (referendum for charter county and regional transportation system to be held at a time "set at the discretion of the governing body"); *but see* s. 212.055(8)(b), F.S. (referendum for emergency fire rescue services and facilities surtax must be placed on the ballot of a "regularly scheduled election").

²³ Section 101.161, F.S.

²⁴ Section 101.161(1), F.S.

²⁵ *Id.*

²⁶ *Id.*

²⁷ *See* s. 212.055(4)(b)1., F.S. (ballot question for discretionary sales surtax for trauma centers).

²⁸ Section 97.021(11), F.S.

²⁹ Art. VI, s. 5(a), Fla. Const. (also codified as s. 97.021(15), F.S.)

Section 2: Provides an effective date of July 1, 2017.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

By requiring any discretionary sales surtax referendum to occur on the day of the general election, this bill reduces local government expenditures to the extent local governments would otherwise expend funds to call a special election for approval of a discretionary sales surtax.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

None.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill does not provide rulemaking authority or require executive branch rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

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A bill to be entitled
An act relating to local tax referenda; amending s.
212.055, F.S.; requiring local government
discretionary sales surtax referenda to be held on the
date of a general election; providing an effective
date.

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

Section 1. Paragraphs (a) and (c) of subsection (1),
paragraph (a) of subsection (2), paragraph (a) of subsection
(3), subsections (4) and (5), paragraph (a) of subsection (6),
paragraph (a) of subsection (7), paragraph (b) of subsection
(8), and paragraph (a) of subsection (9) of section 212.055,
Florida Statutes, are amended, and subsection (10) is added to
that section, to read:

212.055 Discretionary sales surtaxes; legislative intent;
authorization and use of proceeds.—It is the legislative intent
that any authorization for imposition of a discretionary sales
surtax shall be published in the Florida Statutes as a
subsection of this section, irrespective of the duration of the
levy. Each enactment shall specify the types of counties
authorized to levy; the rate or rates which may be imposed; the
maximum length of time the surtax may be imposed, if any; the

26 procedure which must be followed to secure voter approval, if
 27 required; the purpose for which the proceeds may be expended;
 28 and such other requirements as the Legislature may provide.
 29 Taxable transactions and administrative procedures shall be as
 30 provided in s. 212.054.

31 (1) CHARTER COUNTY AND REGIONAL TRANSPORTATION SYSTEM
 32 SURTAX.—

33 (a) Each charter county that has adopted a charter, each
 34 county the government of which is consolidated with that of one
 35 or more municipalities, and each county that is within or under
 36 an interlocal agreement with a regional transportation or
 37 transit authority created under chapter 343 or chapter 349 may
 38 levy a discretionary sales surtax, ~~subject to approval by a~~
 39 ~~majority vote of the electorate of the county or by a charter~~
 40 ~~amendment approved by a majority vote of the electorate of the~~
 41 ~~county.~~

42 (c) The proposal to adopt a discretionary sales surtax as
 43 provided in this subsection and to create a trust fund within
 44 the county accounts shall be placed on the ballot in accordance
 45 with law and must be approved in a referendum as set forth in
 46 subsection (10) ~~at a time to be set at the discretion of the~~
 47 ~~governing body.~~

48 (2) LOCAL GOVERNMENT INFRASTRUCTURE SURTAX.—

49 (a)1. The governing authority in each county may levy a
 50 discretionary sales surtax of 0.5 percent or 1 percent. The levy

51 of the surtax shall be pursuant to ordinance enacted by a
52 majority of the members of the county governing authority and
53 approved by ~~a majority of~~ the electors of the county, as set
54 forth in subsection (10), voting in a referendum on the surtax.
55 If the governing bodies of the municipalities representing a
56 majority of the county's population adopt uniform resolutions
57 establishing the rate of the surtax and calling for a referendum
58 on the surtax, the levy of the surtax shall be placed on the
59 ballot and shall take effect if approved by ~~a majority of~~ the
60 electors of the county, as set forth in subsection (10), voting
61 in the referendum on the surtax.

62 2. If the surtax was levied pursuant to a referendum held
63 before July 1, 1993, the surtax may not be levied beyond the
64 time established in the ordinance, or, if the ordinance did not
65 limit the period of the levy, the surtax may not be levied for
66 more than 15 years. The levy of such surtax may be extended only
67 by approval of ~~a majority of~~ the electors of the county, as set
68 forth in subsection (10), voting in a referendum on the surtax.

69 (3) SMALL COUNTY SURTAX.—

70 (a) The governing authority in each county that has a
71 population of 50,000 or fewer ~~less~~ on April 1, 1992, may levy a
72 discretionary sales surtax of 0.5 percent or 1 percent. The levy
73 of the surtax shall be pursuant to ordinance enacted by an
74 extraordinary vote of the members of the county governing
75 authority if the surtax revenues are expended for operating

76 purposes. If the surtax revenues are expended for the purpose of
 77 servicing bond indebtedness, the surtax shall be approved by a
 78 ~~majority of~~ the electors of the county, as set forth in
 79 subsection (10), voting in a referendum on the surtax.

80 (4) INDIGENT CARE AND TRAUMA CENTER SURTAX.—

81 (a)1. The governing body in each county the government of
 82 which is not consolidated with that of one or more
 83 municipalities, which has a population of at least 800,000
 84 residents and is not authorized to levy a surtax under
 85 subsection (5), may levy, pursuant to an ordinance either
 86 approved by an extraordinary vote of the governing body or
 87 conditioned to take effect only upon approval by ~~a majority vote~~
 88 ~~of~~ the electors of the county, as set forth in subsection (10),
 89 voting in a referendum, a discretionary sales surtax at a rate
 90 that may not exceed 0.5 percent.

91 2. If the ordinance is conditioned on a referendum, a
 92 statement that includes a brief and general description of the
 93 purposes to be funded by the surtax and that conforms to the
 94 requirements of s. 101.161 shall be placed on the ballot by the
 95 governing body of the county. The following questions shall be
 96 placed on the ballot:

97 FOR THE. . . .CENTS TAX

98 AGAINST THE. . . .CENTS TAX

99 3. The ordinance adopted by the governing body providing
 100 for the imposition of the surtax shall set forth a plan for

101 providing health care services to qualified residents, as
 102 defined in subparagraph 4. Such plan and subsequent amendments
 103 to it shall fund a broad range of health care services for both
 104 indigent persons and the medically poor, including, but not
 105 limited to, primary care and preventive care as well as hospital
 106 care. The plan must also address the services to be provided by
 107 the Level I trauma center. It shall emphasize a continuity of
 108 care in the most cost-effective setting, taking into
 109 consideration both a high quality of care and geographic access.
 110 Where consistent with these objectives, it shall include,
 111 without limitation, services rendered by physicians, clinics,
 112 community hospitals, mental health centers, and alternative
 113 delivery sites, as well as at least one regional referral
 114 hospital where appropriate. It shall provide that agreements
 115 negotiated between the county and providers, including hospitals
 116 with a Level I trauma center, will include reimbursement
 117 methodologies that take into account the cost of services
 118 rendered to eligible patients, recognize hospitals that render a
 119 disproportionate share of indigent care, provide other
 120 incentives to promote the delivery of charity care, promote the
 121 advancement of technology in medical services, recognize the
 122 level of responsiveness to medical needs in trauma cases, and
 123 require cost containment including, but not limited to, case
 124 management. It must also provide that any hospitals that are
 125 owned and operated by government entities on May 21, 1991, must,

126 as a condition of receiving funds under this subsection, afford
 127 public access equal to that provided under s. 286.011 as to
 128 meetings of the governing board, the subject of which is
 129 budgeting resources for the rendition of charity care as that
 130 term is defined in the Florida Hospital Uniform Reporting System
 131 (FHURS) manual referenced in s. 408.07. The plan shall also
 132 include innovative health care programs that provide cost-
 133 effective alternatives to traditional methods of service
 134 delivery and funding.

135 4. For the purpose of this paragraph, the term "qualified
 136 resident" means residents of the authorizing county who are:

137 a. Qualified as indigent persons as certified by the
 138 authorizing county;

139 b. Certified by the authorizing county as meeting the
 140 definition of the medically poor, defined as persons having
 141 insufficient income, resources, and assets to provide the needed
 142 medical care without using resources required to meet basic
 143 needs for shelter, food, clothing, and personal expenses; or not
 144 being eligible for any other state or federal program, or having
 145 medical needs that are not covered by any such program; or
 146 having insufficient third-party insurance coverage. In all
 147 cases, the authorizing county is intended to serve as the payor
 148 of last resort; or

149 c. Participating in innovative, cost-effective programs
 150 approved by the authorizing county.

151 5. Moneys collected pursuant to this paragraph remain the
152 property of the state and shall be distributed by the Department
153 of Revenue on a regular and periodic basis to the clerk of the
154 circuit court as ex officio custodian of the funds of the
155 authorizing county. The clerk of the circuit court shall:

156 a. Maintain the moneys in an indigent health care trust
157 fund;

158 b. Invest any funds held on deposit in the trust fund
159 pursuant to general law;

160 c. Disburse the funds, including any interest earned, to
161 any provider of health care services, as provided in
162 subparagraphs 3. and 4., upon directive from the authorizing
163 county. However, if a county has a population of at least
164 800,000 residents and has levied the surtax authorized in this
165 paragraph, notwithstanding any directive from the authorizing
166 county, on October 1 of each calendar year, the clerk of the
167 court shall issue a check in the amount of \$6.5 million to a
168 hospital in its jurisdiction that has a Level I trauma center or
169 shall issue a check in the amount of \$3.5 million to a hospital
170 in its jurisdiction that has a Level I trauma center if that
171 county enacts and implements a hospital lien law in accordance
172 with chapter 98-499, Laws of Florida. The issuance of the checks
173 on October 1 of each year is provided in recognition of the
174 Level I trauma center status and shall be in addition to the
175 base contract amount received during fiscal year 1999-2000 and

176 any additional amount negotiated to the base contract. If the
 177 hospital receiving funds for its Level I trauma center status
 178 requests such funds to be used to generate federal matching
 179 funds under Medicaid, the clerk of the court shall instead issue
 180 a check to the Agency for Health Care Administration to
 181 accomplish that purpose to the extent that it is allowed through
 182 the General Appropriations Act; and

183 d. Prepare on a biennial basis an audit of the trust fund
 184 specified in sub-subparagraph a. Commencing February 1, 2004,
 185 such audit shall be delivered to the governing body and to the
 186 chair of the legislative delegation of each authorizing county.

187 6. Notwithstanding any other provision of this section, a
 188 county shall not levy local option sales surtaxes authorized in
 189 this paragraph and subsections (2) and (3) in excess of a
 190 combined rate of 1 percent.

191 (b) Notwithstanding any other provision of this section,
 192 the governing body in each county the government of which is not
 193 consolidated with that of one or more municipalities and which
 194 has a population of fewer ~~less~~ than 800,000 residents, may levy,
 195 by ordinance subject to approval by ~~a majority of~~ the electors
 196 of the county, as set forth in subsection (10), voting in a
 197 referendum, a discretionary sales surtax at a rate that may not
 198 exceed 0.25 percent for the sole purpose of funding trauma
 199 services provided by a trauma center licensed pursuant to
 200 chapter 395.

201 1. A statement that includes a brief and general
 202 description of the purposes to be funded by the surtax and that
 203 conforms to the requirements of s. 101.161 shall be placed on
 204 the ballot by the governing body of the county. The following
 205 shall be placed on the ballot:

206 FOR THE. . . .CENTS TAX

207 AGAINST THE. . . .CENTS TAX

208 2. The ordinance adopted by the governing body of the
 209 county providing for the imposition of the surtax shall set
 210 forth a plan for providing trauma services to trauma victims
 211 presenting in the trauma service area in which such county is
 212 located.

213 3. Moneys collected pursuant to this paragraph remain the
 214 property of the state and shall be distributed by the Department
 215 of Revenue on a regular and periodic basis to the clerk of the
 216 circuit court as ex officio custodian of the funds of the
 217 authorizing county. The clerk of the circuit court shall:

218 a. Maintain the moneys in a trauma services trust fund.

219 b. Invest any funds held on deposit in the trust fund
 220 pursuant to general law.

221 c. Disburse the funds, including any interest earned on
 222 such funds, to the trauma center in its trauma service area, as
 223 provided in the plan set forth pursuant to subparagraph 2., upon
 224 directive from the authorizing county. If the trauma center
 225 receiving funds requests such funds be used to generate federal

226 matching funds under Medicaid, the custodian of the funds shall
227 instead issue a check to the Agency for Health Care
228 Administration to accomplish that purpose to the extent that the
229 agency is allowed through the General Appropriations Act.

230 d. Prepare on a biennial basis an audit of the trauma
231 services trust fund specified in sub-subparagraph a., to be
232 delivered to the authorizing county.

233 4. A discretionary sales surtax imposed pursuant to this
234 paragraph shall expire 4 years after the effective date of the
235 surtax, unless reenacted by ordinance subject to approval by a
236 ~~majority of~~ the electors of the county, as set forth in
237 subsection (10), voting in a subsequent referendum.

238 5. Notwithstanding any other provision of this section, a
239 county shall not levy local option sales surtaxes authorized in
240 this paragraph and subsections (2) and (3) in excess of a
241 combined rate of 1 percent.

242 (5) COUNTY PUBLIC HOSPITAL SURTAX.—Any county as defined
243 in s. 125.011(1) may levy the surtax authorized in this
244 subsection pursuant to an ordinance either approved by
245 extraordinary vote of the county commission or conditioned to
246 take effect only upon approval by ~~a majority vote of the~~
247 electors of the county, as set forth in subsection (10), voting
248 in a referendum. In a county as defined in s. 125.011(1), for
249 the purposes of this subsection, "county public general
250 hospital" means a general hospital as defined in s. 395.002

251 which is owned, operated, maintained, or governed by the county
 252 or its agency, authority, or public health trust.

253 (a) The rate shall be 0.5 percent.

254 (b) If the ordinance is conditioned on a referendum, the
 255 proposal to adopt the county public hospital surtax shall be
 256 placed on the ballot in accordance with subsection (10) ~~law at a~~
 257 ~~time to be set at the discretion of the governing body.~~ The
 258 referendum question on the ballot shall include a brief general
 259 description of the health care services to be funded by the
 260 surtax.

261 (c) Proceeds from the surtax shall be:

262 1. Deposited by the county in a special fund, set aside
 263 from other county funds, to be used only for the operation,
 264 maintenance, and administration of the county public general
 265 hospital; and

266 2. Remitted promptly by the county to the agency,
 267 authority, or public health trust created by law which
 268 administers or operates the county public general hospital.

269 (d) Except as provided in subparagraphs 1. and 2., the
 270 county must continue to contribute each year an amount equal to
 271 at least 80 percent of that percentage of the total county
 272 budget appropriated for the operation, administration, and
 273 maintenance of the county public general hospital from the
 274 county's general revenues in the fiscal year of the county
 275 ending September 30, 1991:

276 1. Twenty-five percent of such amount must be remitted to
277 a governing board, agency, or authority that is wholly
278 independent from the public health trust, agency, or authority
279 responsible for the county public general hospital, to be used
280 solely for the purpose of funding the plan for indigent health
281 care services provided for in paragraph (e);

282 2. However, in the first year of the plan, a total of \$10
283 million shall be remitted to such governing board, agency, or
284 authority, to be used solely for the purpose of funding the plan
285 for indigent health care services provided for in paragraph (e),
286 and in the second year of the plan, a total of \$15 million shall
287 be so remitted and used.

288 (e) A governing board, agency, or authority shall be
289 chartered by the county commission upon this act becoming law.
290 The governing board, agency, or authority shall adopt and
291 implement a health care plan for indigent health care services.
292 The governing board, agency, or authority shall consist of no
293 more than seven and no fewer than five members appointed by the
294 county commission. The members of the governing board, agency,
295 or authority shall be at least 18 years of age and residents of
296 the county. No member may be employed by or affiliated with a
297 health care provider or the public health trust, agency, or
298 authority responsible for the county public general hospital.
299 The following community organizations shall each appoint a
300 representative to a nominating committee: the South Florida

301 Hospital and Healthcare Association, the Miami-Dade County
 302 Public Health Trust, the Dade County Medical Association, the
 303 Miami-Dade County Homeless Trust, and the Mayor of Miami-Dade
 304 County. This committee shall nominate between 10 and 14 county
 305 citizens for the governing board, agency, or authority. The
 306 slate shall be presented to the county commission and the county
 307 commission shall confirm the top five to seven nominees,
 308 depending on the size of the governing board. Until such time as
 309 the governing board, agency, or authority is created, the funds
 310 provided for in subparagraph (d)2. shall be placed in a
 311 restricted account set aside from other county funds and not
 312 disbursed by the county for any other purpose.

313 1. The plan shall divide the county into a minimum of four
 314 and maximum of six service areas, with no more than one
 315 participant hospital per service area. The county public general
 316 hospital shall be designated as the provider for one of the
 317 service areas. Services shall be provided through participants'
 318 primary acute care facilities.

319 2. The plan and subsequent amendments to it shall fund a
 320 defined range of health care services for both indigent persons
 321 and the medically poor, including primary care, preventive care,
 322 hospital emergency room care, and hospital care necessary to
 323 stabilize the patient. For the purposes of this section,
 324 "stabilization" means stabilization as defined in s.
 325 397.311(44). Where consistent with these objectives, the plan

326 may include services rendered by physicians, clinics, community
 327 hospitals, and alternative delivery sites, as well as at least
 328 one regional referral hospital per service area. The plan shall
 329 provide that agreements negotiated between the governing board,
 330 agency, or authority and providers shall recognize hospitals
 331 that render a disproportionate share of indigent care, provide
 332 other incentives to promote the delivery of charity care to draw
 333 down federal funds where appropriate, and require cost
 334 containment, including, but not limited to, case management.
 335 From the funds specified in subparagraphs (d)1. and 2. for
 336 indigent health care services, service providers shall receive
 337 reimbursement at a Medicaid rate to be determined by the
 338 governing board, agency, or authority created pursuant to this
 339 paragraph for the initial emergency room visit, and a per-member
 340 per-month fee or capitation for those members enrolled in their
 341 service area, as compensation for the services rendered
 342 following the initial emergency visit. Except for provisions of
 343 emergency services, upon determination of eligibility,
 344 enrollment shall be deemed to have occurred at the time services
 345 were rendered. The provisions for specific reimbursement of
 346 emergency services shall be repealed on July 1, 2001, unless
 347 otherwise reenacted by the Legislature. The capitation amount or
 348 rate shall be determined before program implementation by an
 349 independent actuarial consultant. In no event shall such
 350 reimbursement rates exceed the Medicaid rate. The plan must also

351 provide that any hospitals owned and operated by government
352 entities on or after the effective date of this act must, as a
353 condition of receiving funds under this subsection, afford
354 public access equal to that provided under s. 286.011 as to any
355 meeting of the governing board, agency, or authority the subject
356 of which is budgeting resources for the retention of charity
357 care, as that term is defined in the rules of the Agency for
358 Health Care Administration. The plan shall also include
359 innovative health care programs that provide cost-effective
360 alternatives to traditional methods of service and delivery
361 funding.

362 3. The plan's benefits shall be made available to all
363 county residents currently eligible to receive health care
364 services as indigents or medically poor as defined in paragraph
365 (4)(d).

366 4. Eligible residents who participate in the health care
367 plan shall receive coverage for a period of 12 months or the
368 period extending from the time of enrollment to the end of the
369 current fiscal year, per enrollment period, whichever is less.

370 5. At the end of each fiscal year, the governing board,
371 agency, or authority shall prepare an audit that reviews the
372 budget of the plan, delivery of services, and quality of
373 services, and makes recommendations to increase the plan's
374 efficiency. The audit shall take into account participant
375 hospital satisfaction with the plan and assess the amount of

376 poststabilization patient transfers requested, and accepted or
377 denied, by the county public general hospital.

378 (f) Notwithstanding any other provision of this section, a
379 county may not levy local option sales surtaxes authorized in
380 this subsection and subsections (2) and (3) in excess of a
381 combined rate of 1 percent.

382 (6) SCHOOL CAPITAL OUTLAY SURTAX.—

383 (a) The school board in each county may levy, pursuant to
384 resolution conditioned to take effect only upon approval by a
385 ~~majority vote of~~ the electors of the county, as set forth in
386 subsection (10), voting in a referendum, a discretionary sales
387 surtax at a rate that may not exceed 0.5 percent.

388 (7) VOTER-APPROVED INDIGENT CARE SURTAX.—

389 (a)1. The governing body in each county that has a
390 population of fewer than 800,000 residents may levy an indigent
391 care surtax pursuant to an ordinance conditioned to take effect
392 only upon approval by ~~a majority vote of~~ the electors of the
393 county, as set forth in subsection (10), voting in a referendum.
394 The surtax may be levied at a rate not to exceed 0.5 percent,
395 except that if a publicly supported medical school is located in
396 the county, the rate shall not exceed 1 percent.

397 2. Notwithstanding subparagraph 1., the governing body of
398 any county that has a population of fewer than 50,000 residents
399 may levy an indigent care surtax pursuant to an ordinance
400 conditioned to take effect only upon approval by ~~a majority vote~~

401 ~~of~~ the electors of the county, as set forth in subsection (10),
 402 voting in a referendum. The surtax may be levied at a rate not
 403 to exceed 1 percent.

404 (8) EMERGENCY FIRE RESCUE SERVICES AND FACILITIES SURTAX.—

405 (b) Upon the adoption of the ordinance, the levy of the
 406 surtax must be placed on the ballot by the governing authority
 407 of the county enacting the ordinance. The ordinance will take
 408 effect if approved by ~~a majority of~~ the electors of the county,
 409 as set forth in subsection (10), voting in a referendum held for
 410 such purpose. The referendum shall be placed on the ballot of a
 411 regularly scheduled election. The ballot for the referendum must
 412 conform to the requirements of s. 101.161.

413 (9) PENSION LIABILITY SURTAX.—

414 (a) The governing body of a county may levy a pension
 415 liability surtax to fund an underfunded defined benefit
 416 retirement plan or system, pursuant to an ordinance conditioned
 417 to take effect upon approval by ~~a majority vote of~~ the electors
 418 of the county, as set forth in subsection (10), voting in a
 419 referendum, at a rate that may not exceed 0.5 percent. The
 420 county may not impose a pension liability surtax unless the
 421 underfunded defined benefit retirement plan or system is below
 422 80 percent of actuarial funding at the time the ordinance or
 423 referendum is passed. The most recent actuarial report submitted
 424 to the Department of Management Services pursuant to s. 112.63
 425 must be used to establish the level of actuarial funding for

426 | purposes of determining eligibility to impose the surtax. The
 427 | governing body of a county may only impose the surtax if:

428 | 1. An employee, including a police officer or firefighter,
 429 | who enters employment on or after the date when the local
 430 | government certifies that the defined benefit retirement plan or
 431 | system formerly available to such an employee has been closed
 432 | may not enroll in a defined benefit retirement plan or system
 433 | that will receive surtax proceeds.

434 | 2. The local government and the collective bargaining
 435 | representative for the members of the underfunded defined
 436 | benefit retirement plan or system or, if there is no
 437 | representative, a majority of the members of the plan or system,
 438 | mutually consent to requiring each member to make an employee
 439 | retirement contribution of at least 10 percent of each member's
 440 | salary for each pay period beginning with the first pay period
 441 | after the plan or system is closed.

442 | 3. The pension board of trustees for the underfunded
 443 | defined benefit retirement plan or system, if such board exists,
 444 | is prohibited from participating in the collective bargaining
 445 | process and engaging in the determination of pension benefits.

446 | 4. The county currently levies a local government
 447 | infrastructure surtax pursuant to subsection (2) which is
 448 | scheduled to terminate and is not subject to renewal.

449 | 5. The pension liability surtax does not take effect until
 450 | the local government infrastructure surtax described in

451 | subparagraph 4. is terminated.

452 | (10) DATES FOR REFERENDA.—A referendum to adopt or amend a
 453 | local government discretionary sales surtax under this section
 454 | shall be held only at a general election, as defined in s.
 455 | 97.021, and requires the approval of a majority of the voters
 456 | voting on the ballot question for passage.

457 | Section 2. This act shall take effect July 1, 2017.



Florida Defense Support Task Force

Briefing to the House Subcommittee on
Local, Federal and Veterans Affairs
January 25, 2017

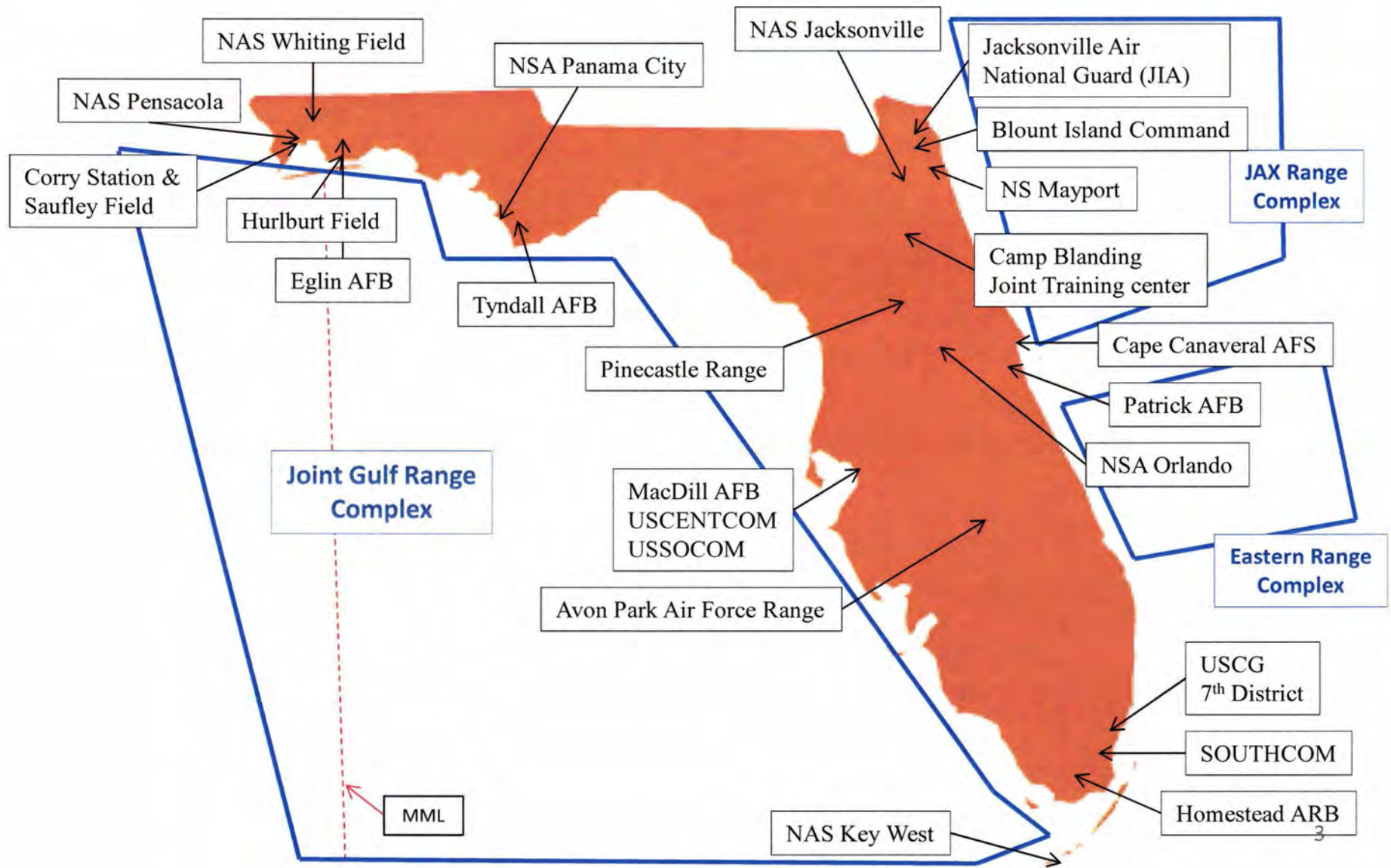


Florida' Military Presence

Overview:

- 20 major military installations.
- Defense is 4th largest contributor to state economy.
 - \$79.8 billion annual impact from military and defense business presence.
 - 774,721 direct and indirect jobs.
- Optimum training environment; extensive ranges.

Florida's Military Installations



Who's Who: Veterans, National Guard and Military and Defense

Veterans



AD, NG & Res
(1.5 million)

FL Dept of
Veterans Affairs
(FDVA)

Veterans FL
FVF

FL National Guard



Air and Army
(12,000+)

Dept of Mil Affairs
(DMA)

Gov Base Cdr Mtg

Military/Defense



20 military bases
(60,000+)

FL Def Support TF
FL Def Alliance (FDA)

The Principi Grp

History

- Task Force created in 2011 --F.S. 288.987. With Sunshine exemption – F.S. 288.985.
- Replaced the Florida Council on Military Bases and Mission Support.
- 13 Members -- appointed by Governor, Senate and House.
- First meeting conducted January 2012 – 50 meetings to date.

Members

- Representative Clay Ingram – Chair – House
- Former Senator Mike Bennett – Senate
- J.R. McDonald – Senate
- Tom Neubauer – Senate
- **Vacant** – Senate
- Brig Gen (ret) Chip Diehl – House
- CW5 Derrick Fritts – House
- **Vacant** – House
- Admiral (ret) Mark Fitzgerald – Governor
- MG Michael Calhoun, Adjutant General – Governor
- Barbara Stewart – Governor
- **Vacant** – Governor
- Senator Dana Young – Governor’s Personal Rep.

Note: Chair rotates on July 1st annually between Senate and House

Florida Defense Support Task Force

Governor's Guidance:

***“Keep Florida the most
military-friendly state
in the nation.”***

Task Force Mission:

Preserve, protect and enhance Florida's
military missions and installations

Florida Defense Support Task Force goals:

- Promote and expand the missions of Florida's military installations.
- **Prevent encroachment from impacting mission capabilities.**
 - Improve transportation access to Florida's military installations.
 - Assist installations in meeting DOD renewable energy goals.
 - Strengthen state support for military families and veterans with a focus on education, health care, employment, and family programs.

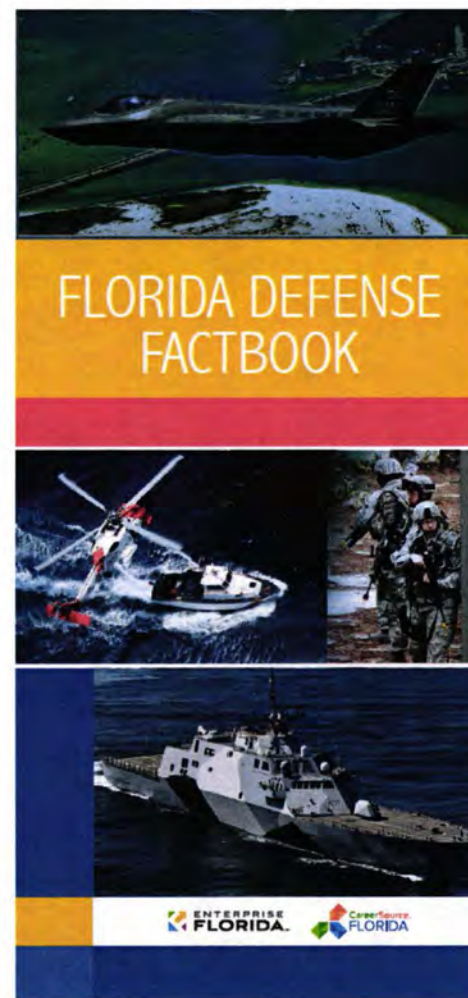
Ongoing Actions

- Aggressive advocacy based on results of installation assessments at both national and state level. Protect against “Below the Radar BRAC” actions. Prepare for possible BRAC in 2021.
- **Work with Governor, Legislature, Florida Congressional delegation, base commanders and local defense community leaders to improve military value of all installations.**

Some Task Force Successes

- Developed/implemented a long term strategic plan to improve military value of FL bases.
- Conducted comprehensive evaluation and risk assessment of all military installations in the state.
- Contracted for full-time first class advocacy services in Washington, DC to assist efforts in protecting and enhancing Florida military bases.
- Implemented a grant program to assist local defense communities improve the military value of their bases.

Florida Defense Industry Economic Impact Analysis 2015 Florida Defense Factbook



2016 Military Friendly Guide

ENTERPRISE
FLORIDA

FLORIDA
DEFENSE
ALLIANCE

Florida Defense
Support Task Force

2016 FLORIDA MILITARY-FRIENDLY GUIDE



*A Summary of Sunshine State Laws, Programs
and Benefits for Active Duty, National Guard and
Reserve Service Members and Families*



FREE DOWNLOAD

This guide can be downloaded from the Florida Defense Support Task Force website: www.enterpriseflorida.com/fl1611

Task Force Grant Award History

FY 2013 -- 9 grants -- \$ 2.41 million

FY 2014 -- 9 grants -- \$ 2.22 million

FY 2015 -- 14 grants -- \$ 2.69 million

FY 2016 -- 11 grants -- \$ 2.53 million

FY 2017 -- 1 grant -- \$.76 million

Total

\$ 10.61 million

2016 Military Friendly Legislation

- Expanded the number of military operations for which deployed service members can claim ad valorem tax exemptions.
- Renewed Florida membership in Interstate Compact on Educational Opportunities for Military Children.
- Provides for out-of-state fee waiver for military members residing outside Florida for online college courses.
- Exempts community planning and liaison officers serving on local zoning boards from filing financial disclosure forms.
- Expedites landlord processing of rental applications for military members.

Preventing Encroachment – 2016 Grants

- Santa Rosa County – \$41,310 to update Land Acquisition Study and complete plan to limit encroachment
- Clay County – \$400,000 to acquire 630 acres adjacent to Camp Blanding.
- Highlands County – \$500,000 to acquire conservation easements to prevent encroachment at Avon Park Air Force Range.

Military Base Protection Program – 2016 Actions

Top Three Non-Conservation Lands identified to protect military installations:

- Mayport Village – NS Mayport: Acquired development rights
- Florida Rock – MacDill AFB: Acquired development rights to part of the property; more to be done
- Barefoot Palms – NSA Panama City: Acquired property (still to be approved by Governor and Cabinet)

FL Base Protection – Other Recent Actions

- Team Orlando – Modeling, Simulation and Training Center: State purchased land and building to reduce the cost of leased office space.
- Okaloosa County – State funded construction of highway flyover to relieve traffic congestion on Hwy 98.

Additional Encroachment Protection for Bases

- Florida Forever – State funding for land acquisition that protects nature and buffers military bases.
- Readiness & Environmental Protection Initiative (REPI) – DOD matching funds for land acquisition to buffer military bases.

Recent REPI Examples:

- 20,000+ acres at Eglin AFB
- 12,800+ acres at Avon Park

Future DOD Actions Impacting Florida

Definite:

- 3 ship ARG now homeported at NS Mayport
- More ships to NS Mayport – 1 Destroyer and 2 LCS
- Navy Triton (drone) Sqdrn established at NAS Jacksonville
- More KC-135 Air Force tankers to MacDill AFB

Possible:

- F-35s for National Guard at Jacksonville
- **F-35s for Air Reserve at Homestead**
- MQ9 Reaper (drone) unit for Tyndall AFB
- Navy Triton (drone) Command and Control HQ for Key West or Mayport
- Improvements to the Gulf Range complex

Supporting Our Military: The Florida Model

- Governor's Base Commanders Meetings
- Florida Defense Support Task Force
- Florida Defense Alliance
- Defense Grants Programs

*Recognized nationally as a leader by ADC.
Mil & def efforts cited by OPPAGA as exceeding
that of other states with large military presence.²⁰*

Florida Military and Defense Support Entities and Relationships

Governor



Florida Legislature




FL Congressional Delegation



Florida National Guard



Florida Defense Support Task Force



State Agencies



DEO
DEP



Base Commanders



FLORIDA DEFENSE ALLIANCE

FL Defense Alliance
(Local defense partners)



EDO's & Chambers



NDAA, Budget and BRAC

2017 National Defense Authorization Act (NDAA):

- \$619 Billion (includes \$60B for OCO/war funding).
- No BRAC authorized for 2017.

Budget: Continuing Resolution (CR) through April 28 freezes spending at FY 2016 level.

BRAC: Possible force structure increases may delay call for a new BRAC. We will have a better indication as new DOD leadership takes hold. Most likely time for BRAC is 2021.

Florida Defense Support Task Force

Questions ?



Florida Defense Support Task Force

Briefing to the House Subcommittee on
Local, Federal and Veterans Affairs
January 25, 2017





We Make Housing Affordable

Overview of Affordable Housing Programs

House Local, Federal & Veterans Affairs Subcommittee

January 2017

What is Affordable Housing?

- ❖ Safe, decent housing, focused on families that are income eligible
 - From the lowest incomes up to moderate income families at 120% of area median income; some FHFC programs up to 140% AMI
- ❖ Typically assisted with federal, state or local programs to decrease mortgage payments and rents to be affordable to these families
- ❖ Housing that is substandard – in poor condition – does not count as affordable housing
- ❖ Affordable rental properties are generally owned by private sector & nonprofits; public housing is owned by the government
- ❖ Rentals: Rents restricted and long term affordability restrictions

Florida's Affordable Housing Approach

- ❖ Provide a continuum of housing, with emphasis on assisting neediest persons
- ❖ The private sector is the primary delivery system; use public/private partnerships
- ❖ Preserve the existing affordable housing stock
- ❖ Provide programs for construction of new housing
- ❖ Programs should be flexible & consider regional/local needs
- ❖ When possible, use state funds as loans rather than grants

How Florida Addresses Housing Needs

- ❖ Rely on federal and state resources
- ❖ Federal resources since the 1930s
- ❖ State resources via William E. Sadowski Act of 1992
 - Created a dedicated revenue source by using doc stamp taxes paid on residential/commercial deeds
 - Funds split into Local Gov't Housing Trust Fund and State Housing Trust Fund
 - Funds finance homeownership and rental programs

Status of Affordable Housing in Florida

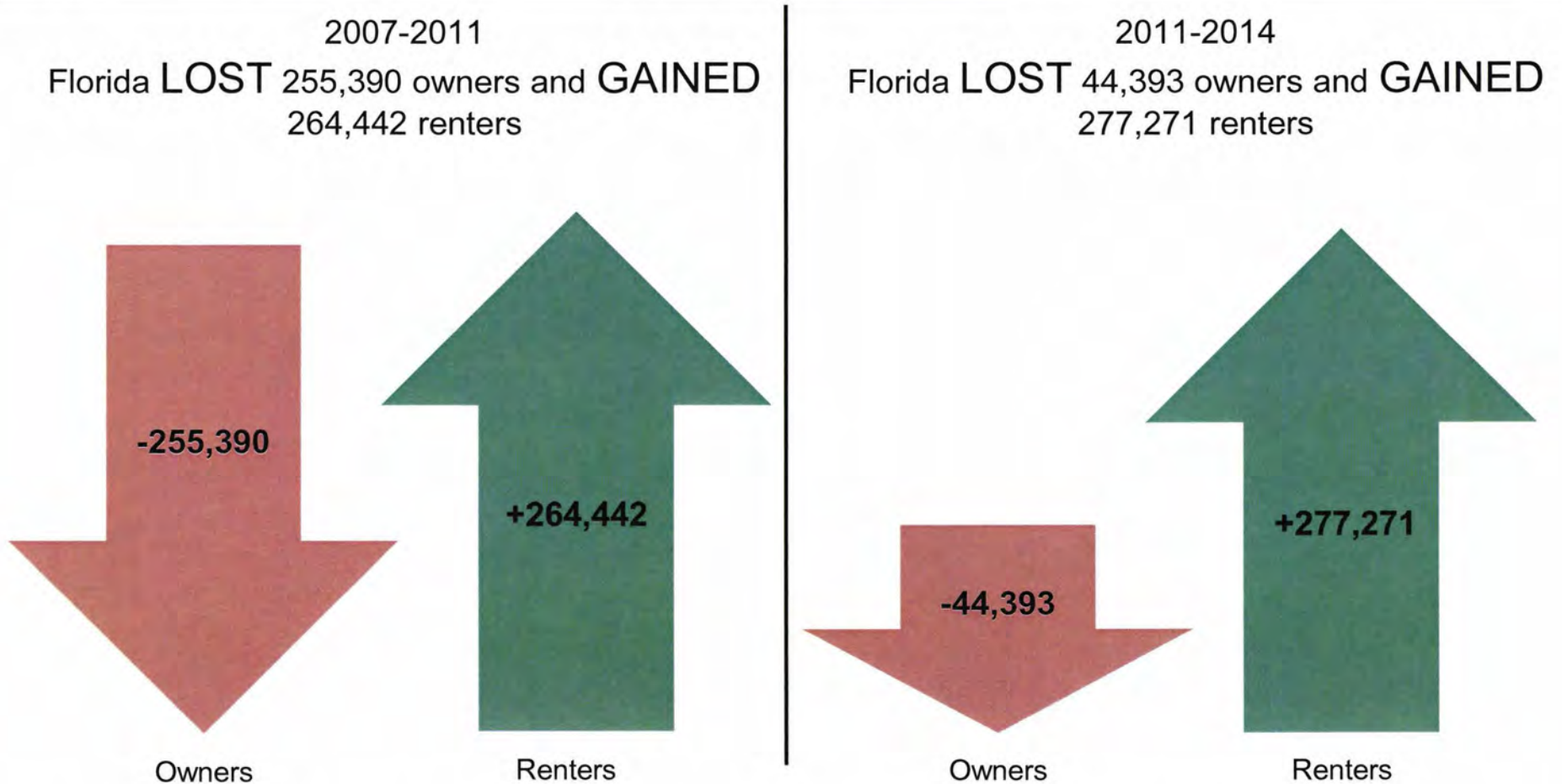
All Statewide Rental

- ❖ Assisted Rental Housing in Florida: 243,000+ units
 - Florida Housing has financed ~190,000 of these units
- ❖ Public Housing: ~35,000 units
- ❖ Federally Funded Tenant Vouchers: 100,000+

Florida Housing/SHIP Homeownership Programs

- ❖ Homes Purchased with Mortgage Assistance (FHFC): ~74,000
- ❖ SHIP Homebuyers/Homeowners Served: 149,000+
- ❖ Homeowners Receiving Foreclosure Counseling/Assistance (FHFC): ~35,000

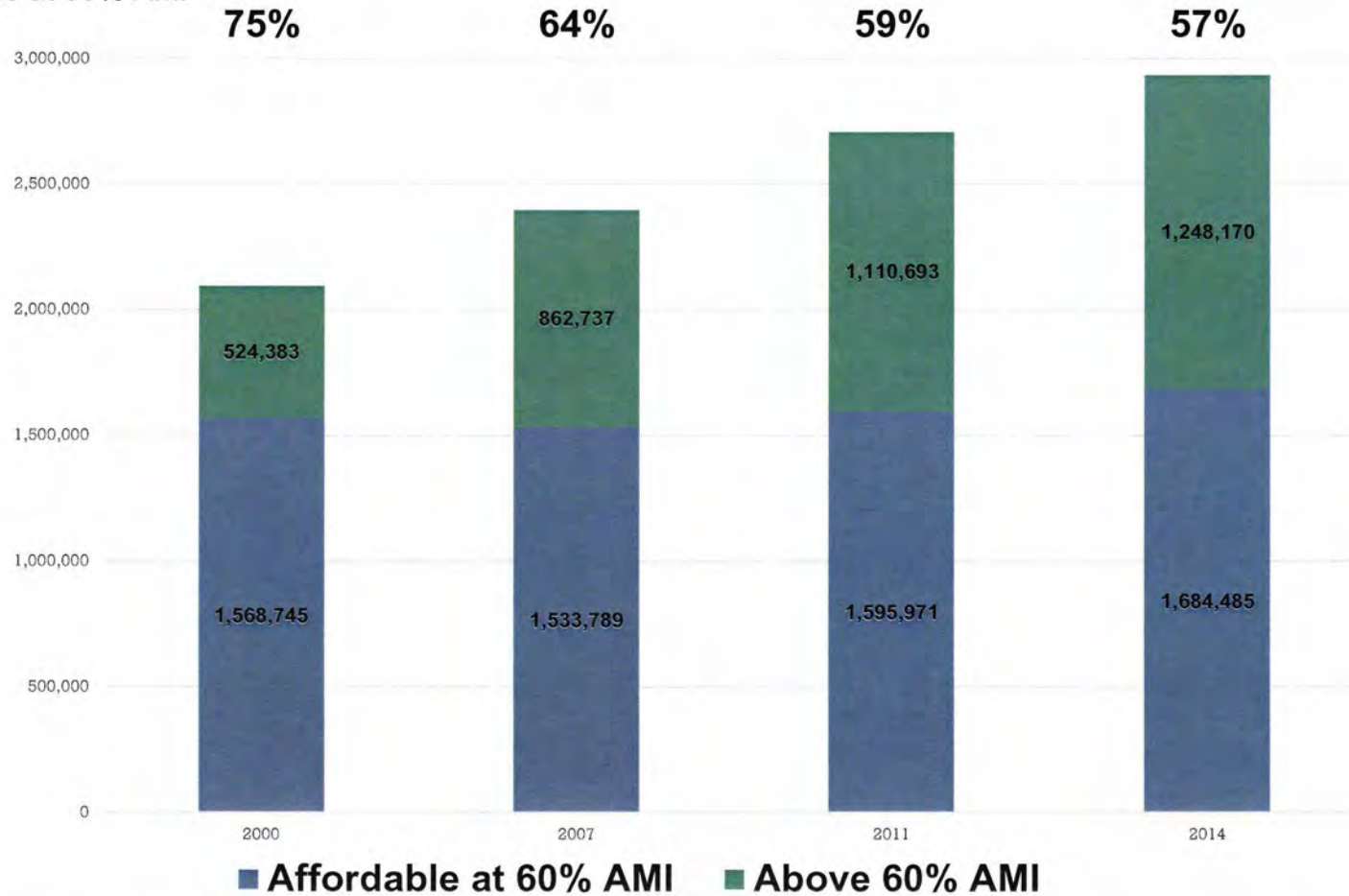
Today More Floridians Are Renting



Source: Shimberg Center, U.S. Census Bureau, 2007/2011/2014 American Community Survey 1-Year Public Use Microdata Sample (PUMS)

Florida has added 839,527 Rental Units since 2000, but only 115,740 are Affordable at 60% AMI

Percent Affordable at 60% AMI



Source: Shimberg Center, U.S. Census Bureau, 2000 Census and 2014 American Community Survey 1-Year Public Use Microdata Sample (PUMS)

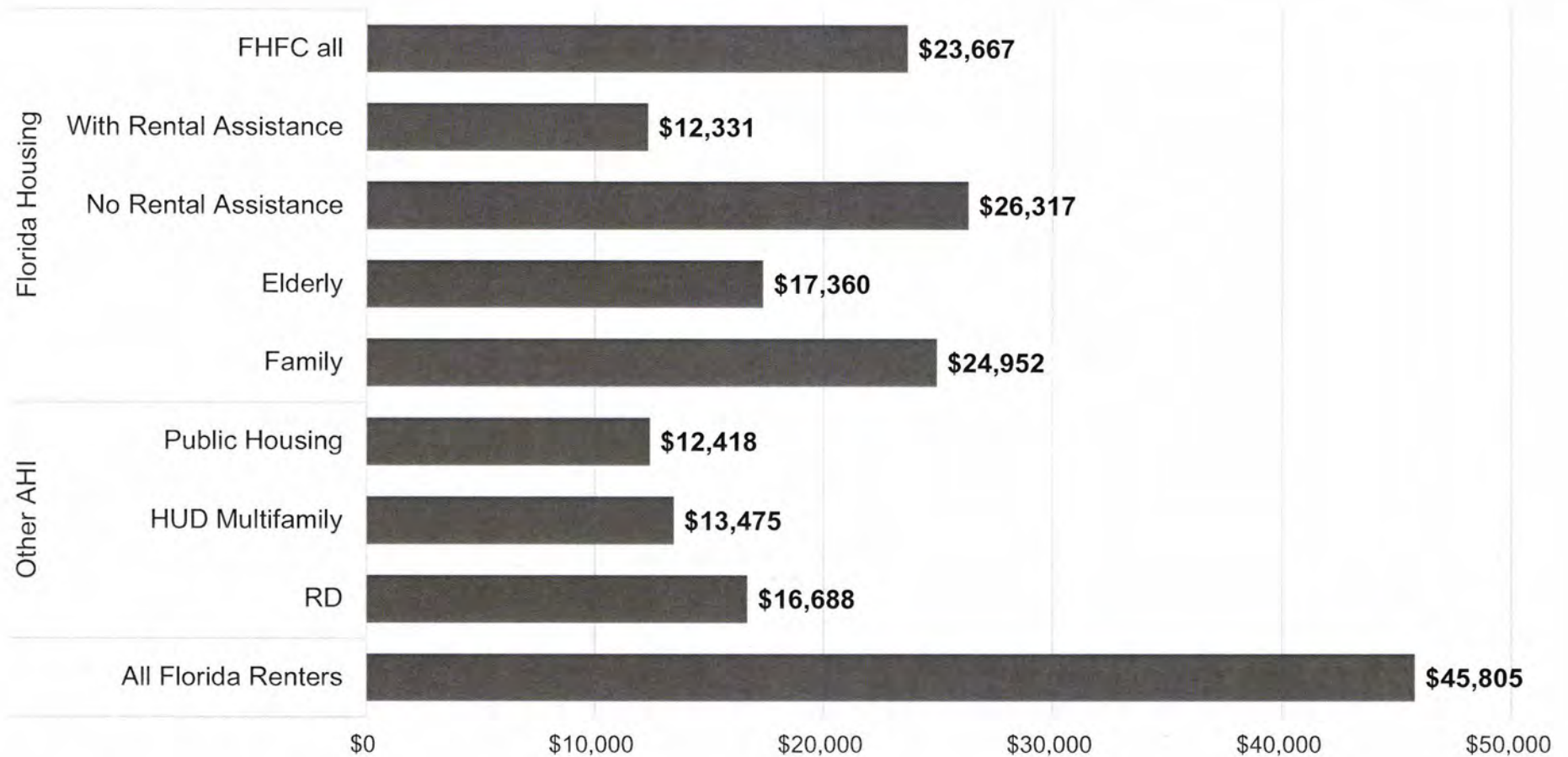
Most Low Income Renters are Cost Burdened

Renters Paying More than 40% of Income for Housing by Income in 2014



Source: Shimberg Center, U.S. Census Bureau, 2014 American Community Survey 1-Year Public Use Microdata Sample (PUMS)

Average Tenant Household Income

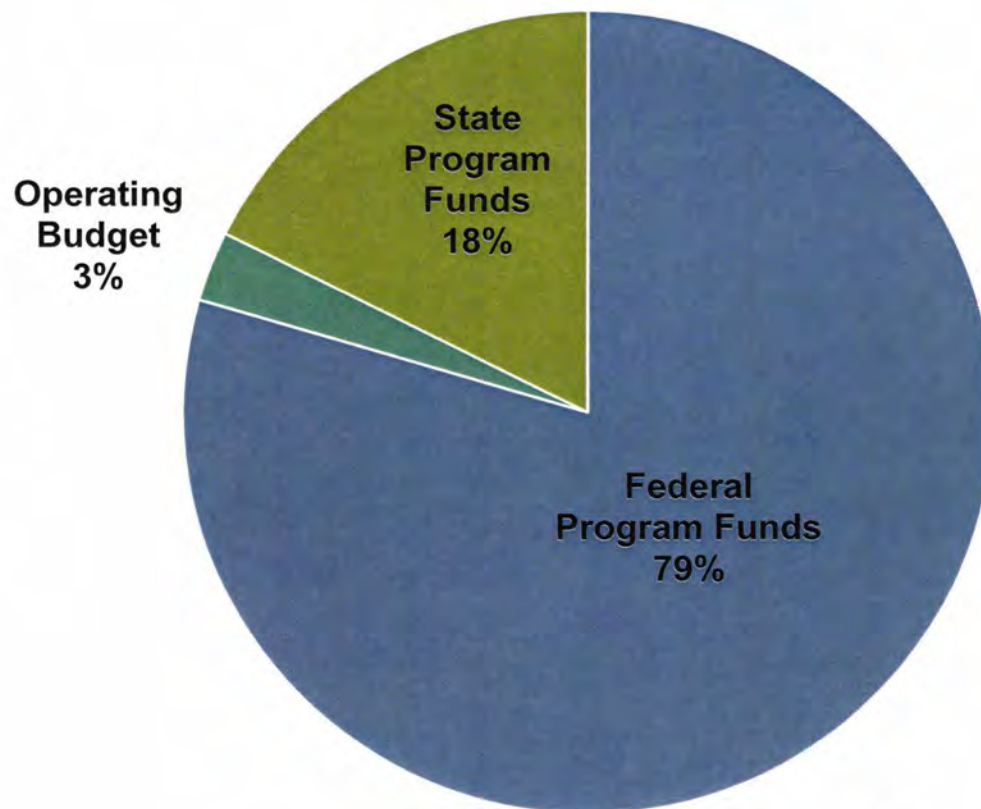


Source: Shimberg Center for Housing Studies, Assisted Housing Inventory and U.S. Census Bureau, 2014 American Community Survey 1-Year Public Use Microdata Sample (PUMS)

Florida Housing Finance Corporation

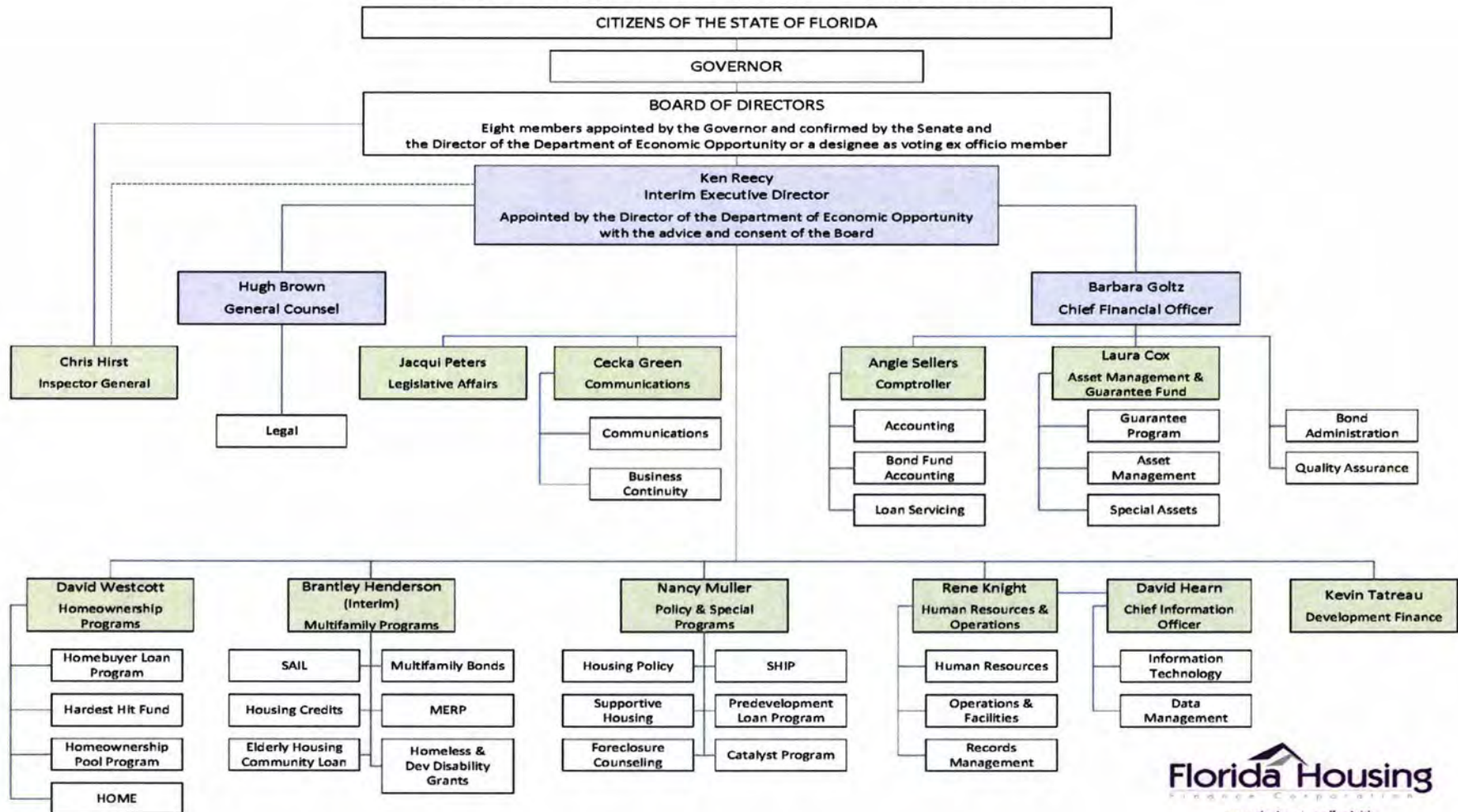
2016/17 Program Funding vs.
Administrative Expenses

- ❖ A Financial Institution
- ❖ A Public Corporation of the State
- ❖ No Appropriations used for Operations
- ❖ No State Employees



Florida Housing Finance Corporation

Florida Housing Finance Corporation Organization Chart



Florida Housing Finance Corporation

Meeting the Housing Needs of Extremely
Low to Moderate Income Households:

Working Families and Elders

Special Needs Households

Homeless Households

Florida Housing Finance Corporation

| Programs Target Households at:* |
|--|
| Extremely Low Income 0 – 30% AMI (At or below \$17,160) |
| Very Low Income 31 – 50% AMI (\$17,161 - \$28,600) |
| Low Income 51 – 80% AMI (\$28,601 - \$45,760) |
| Moderate Income 81 – 120% AMI (\$45,761 - \$68,640) |
| Workforce 121 – 140% AMI (\$68,641 - \$80,080) |

*Based on Statewide Area Median Income (AMI) for a family of four: \$57,200

Florida Housing Finance Corporation Key Programs

State

- ❖ State Apartment Incentive Loan Program ●
- ❖ State Housing Initiatives Partnership Program ● ●
- ❖ Homeownership Assistance Program ●
- ❖ Foreclosure Counseling Program ●
- ❖ Florida Affordable Housing Guarantee Program ●
- ❖ Predevelopment Loan Program ● ●
- ❖ One-Time Financing Initiatives ● ●
- ❖ Grants for Developmental Disabilities ●

Federal

- ❖ Homebuyer Loan Programs ●
- ❖ Low Income Housing Tax Credit ●
- ❖ Mortgage Credit Certificate ●
- ❖ Private Activity Bonds ● ●
- ❖ HOME Investment Partnership ●
- ❖ Florida Hardest-Hit Fund ●

● = Homeownership Program

● = Rental Program

Financing Rental Housing

- ❖ Federal and state programs used together and separately to finance housing that serves different populations and is geographically dispersed
- ❖ Requests for Applications (RFAs) are issued throughout the year to award funding (16 RFAs in 2016)
- ❖ Each year Florida Housing's Board approves an annual Funding Plan that shows how funding will be used, goals of each RFA and timing
- ❖ The goal is to leverage private sector investment; predictability of funding is critical
- ❖ Applicants include private for profit developers, non-profit organizations and public housing authorities

Rental Funding/Units Produced

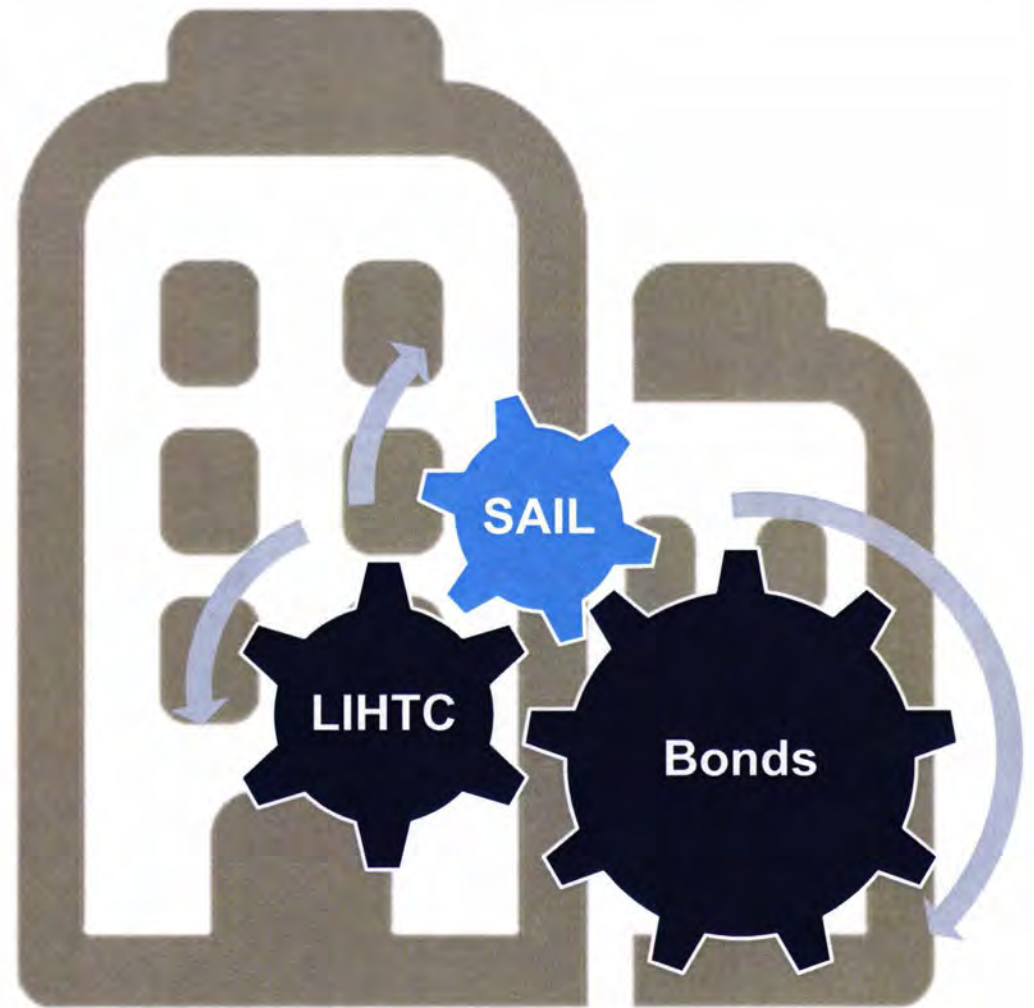
Florida Housing Rental Units Financed, 2011 - 2016

| County Group | Total Units | State Funding | | Federal Funding | | | |
|---------------|---------------|-----------------------|---------------------------|-------------------------------|-----------------------------------|-----------------------|-----------------------|
| | | SAIL | Special Needs State Funds | Housing Credits (Competitive) | Housing Credits (Non-Competitive) | Bonds | HOME |
| Large | 20,480 | \$ 176,935,842 | \$ 23,756,679 | \$ 155,964,063 | \$ 61,424,937 | \$ 288,650,000 | \$ 38,350,000 |
| Medium | 10,297 | \$ 120,028,128 | \$ 21,144,209 | \$ 71,454,209 | \$ 19,393,859 | \$ 159,825,000 | \$ 9,049,980 |
| Small | 1,403 | \$ 16,937,300 | \$ 1,619,994 | \$ 6,686,915 | \$ 1,570,009 | \$ 13,300,000 | \$ 55,111,609 |
| Total | 32,180 | \$ 313,901,270 | \$ 46,520,882 | \$ 234,105,187 | \$ 82,388,805 | \$ 461,775,000 | \$ 102,511,589 |

State Apartment Incentive Loan (SAIL) Program

s. 420.5087, F.S.

- ❖ Gap Loan financing to developers to leverage Private Activity Bonds and Low Income Housing Tax Credits to construct or rehabilitate affordable rentals
- ❖ Primary financing for smaller specialized housing
- ❖ Set-Asides based on 3-year Rental Needs Study

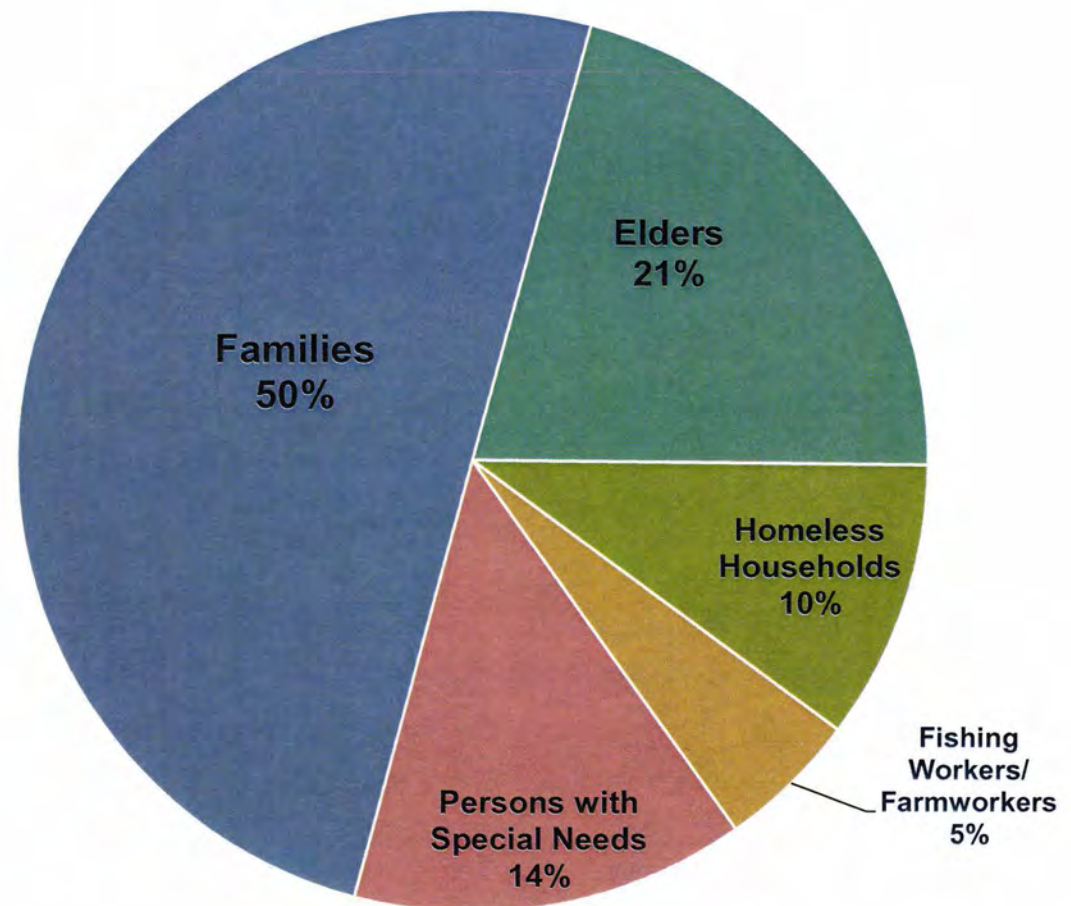


SAIL Program - Demographic

Statutory Demographic Set-Asides

| | |
|--|-------------------|
| Families | Not less than 10% |
| Elders | Not less than 10% |
| Persons with Special Needs | Not less than 10% |
| Persons who are Homeless | Not less than 10% |
| Commercial Fishing Workers and Farmworker Households | Not less than 5% |

Program Allocation

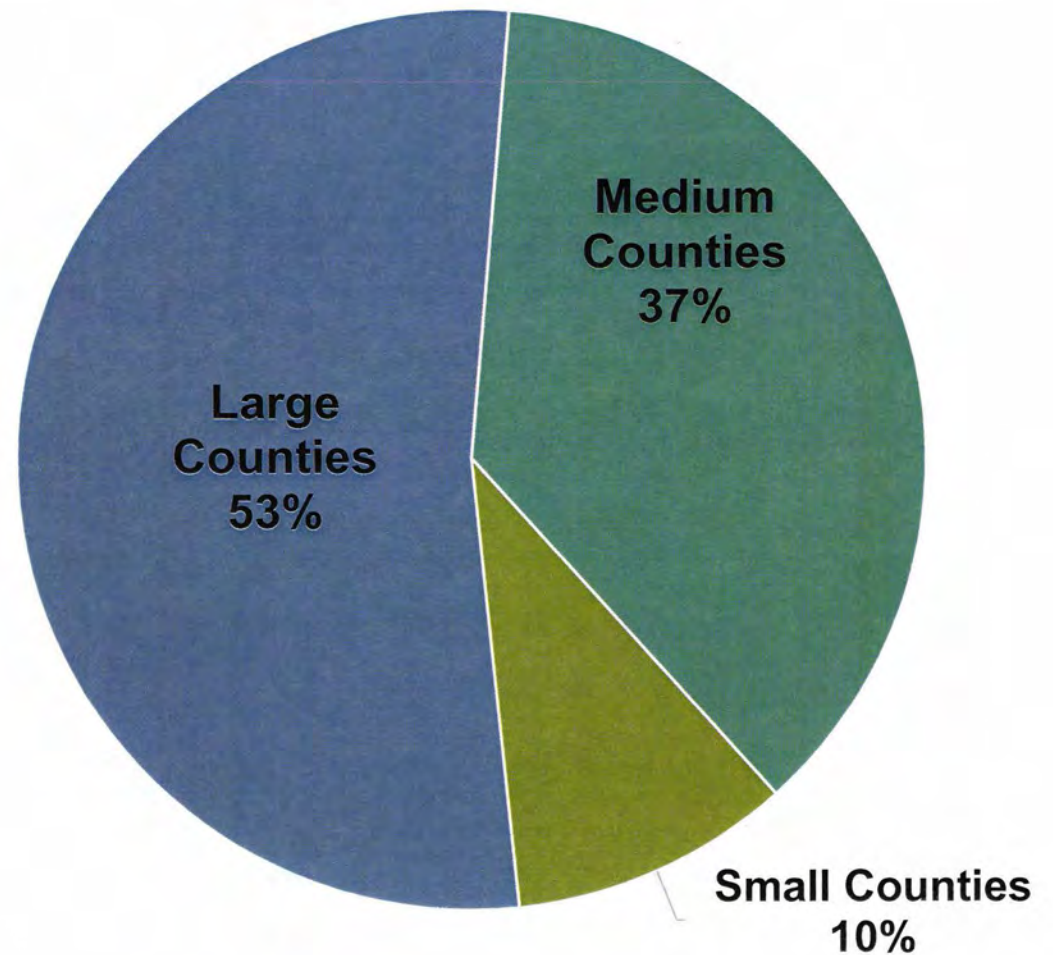


SAIL Program - Geographic

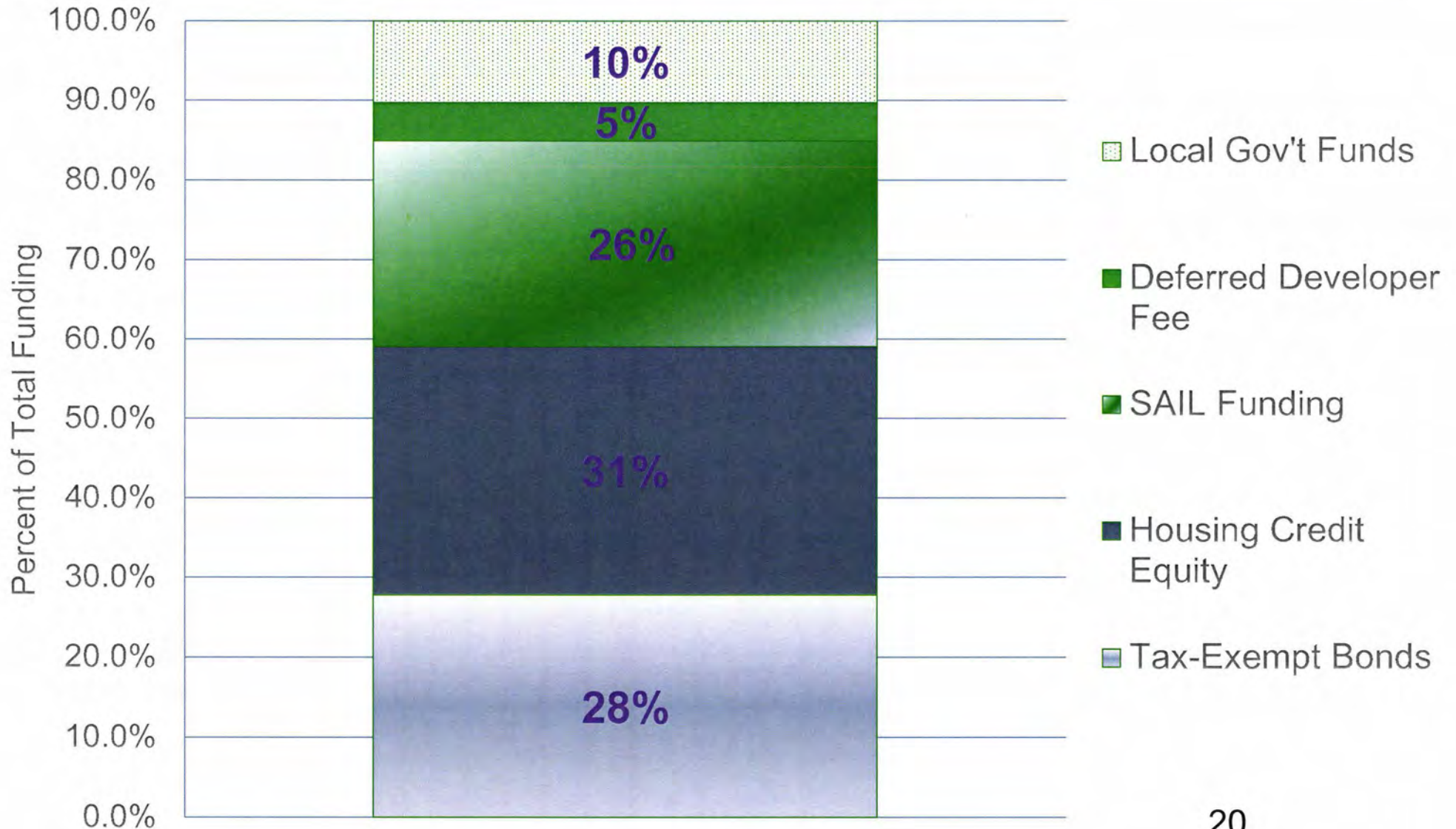
Statutory Geographic Population Targets

| | |
|--------|--|
| Large | 825,000 or more |
| Medium | More than 100,000, but less than 825,000 |
| Small | 100,000 or less |

Program Allocation



Typical Funding Sources for a SAIL Development in 2016



Special Needs/Homeless Funding

- ❖ **Special Needs:** Persons with disabilities, youth aging out of foster care, survivors of domestic violence, persons on SSDI/SSI/veterans disability benefits
- ❖ **Homeless:** Individuals/households living on the street; in motels/shelters; doubled up with friends/family; coming out of facilities
- ❖ SAIL is primary funding for smaller residences for these households; used with competitive Low Income Housing Tax Credits for larger properties
- ❖ Permanent Supportive Housing = Housing + Services used to assist many of these families
- ❖ Florida Housing now requires a small portion of these Housing + Services units (“Link Units”) in new properties to serve extremely low income persons with special needs
- ❖ \$10M/Yr State Grant Funds for Persons w/ Intellectual/Developmental Disabilities

State Housing Initiatives Partnership (SHIP) Program s. 420.9075, F.S.

- ❖ Allocated to all 67 counties and 52 entitlement cities on population basis
- ❖ Minimum \$350,000 to each county
- ❖ Local gov'ts adopt Local Plans detailing strategies



Statutory Goals:

- ❖ At least 30% of funds to Very Low Income
- ❖ At least 30% to Low Income
- ❖ Remainder may go up to Moderate Income Households
- ❖ 65% to Homeownership
- ❖ 75% to Construction
- ❖ 20% minimum to Persons with Special Needs

SHIP Continued

Local and Flexible – Locally determined pressing needs in each community

Transparent – Local plans show how funds will be spent; annual reports show how funds were actually spent and who served

Impact – Over the life of the program, more than \$2.3B used to help 192,000+ families; \$337M recycled back into program since 2000

Top Uses of SHIP

Down Payment Assistance

Rehabilitation of Owner Occupied Housing

Emergency/Disaster Relief

Foreclosure Relief

Rental Housing Gap Financing

SHIP Continued

Expenditures for the 6 Most Recent Closed Out Fiscal Years

| Total Expenditures (includes Allocation and Program Income) | Households Served |
|--|------------------------------|
| \$382,902,933 | 20,236 |

SHIP Appropriations 2014/15 through 2016/17

| Fiscal Year | Appropriation |
|--------------------|----------------------|
| 2014/15 | \$96,000,000 |
| 2015/16 | \$101,000,000 |
| 2016/17 | \$129,800,000 |

Homeownership Assistance Program (HAP)

s. 420.5088, F.S.

Since 2012 ...

- ❖ Used to help qualified homebuyers with their down payment and closing costs
- ❖ Non-amortizing (no payments) in Second Mortgage, 0% Interest Rate
- ❖ Currently up to \$7,500 in Assistance
- ❖ Offered in conjunction with Florida Housing's Homebuyer Loan Programs
- ❖ \$1,272,937,474 in First Mortgage Funds Leveraged
- ❖ \$95,149,863 HAP DPA Utilized
- ❖ **10,825 Borrowers Assisted**



Average Purchase Price
\$123,463



Average HAP DPA Assistance
\$8,790



Average Income of Borrower
\$45,201

HAP Process

- ❖ Public-private partnership
- ❖ Pre-purchase homebuyer education class required
- ❖ Borrower is approved by a participating lender (150+ FHFC approved lending institutions)
- ❖ Lender funds both first and second mortgage
- ❖ After compliance review, lenders are reimbursed for mortgages, costs and fees

Mortgage Credit Certificate Program 2012-2016

- ❖ A Mortgage Credit Certificate (MCC) creates a homebuyer tax credit designed to reduce the amount of federal income tax borrowers pay giving them more available income to:
 - Qualify for a mortgage loan or
 - Assist them with their monthly housing obligation

- ❖ Borrowers Assisted: 3,267
- ❖ Average Home Purchase Price: \$166,438
- ❖ Average Household Income: \$49,833

Funding Source: Federal Private Activity Volume Cap

Hardest Hit Fund (HHF)

- ❖ In 2010, the US Department of the Treasury announced the Hardest Hit Fund providing funding to states hardest hit by the aftermath of the burst of the housing bubble.
- ❖ \$9.6 billion was allocated to 18 states and the District of Columbia. In 2016, Treasury extended the program until December 2020. Florida received a total of \$1.135 billion.

HHF Programs

Unemployment Mortgage Assistance Program (UMAP) and Mortgage Loan Reinstatement Payment Program (MLRP)

- Up to \$24,000 or 12 months of mortgage assistance (UMAP)
- Up to \$18,000 for arrearages (MLRP)
- If homeowner does not require UMAP, up to \$25,000 can be used for MLRP

Principal Reduction (PR)

- Assists underwater homeowners by reducing the outstanding loan amount to the value of the home
- Up to \$50,000 is available and when applied to principal, a required recast or refinance of the loan will reduce the mortgage payment

Elderly Mortgage Assistance Program (ELMORE)

- Assists seniors with reverse or home equity conversion mortgages
- Provides up to \$50,000 for past due and future property charges

Down Payment Assistance

- For First-Time homebuyers in select counties
- Provides up to \$15,000 in down payment and closing cost assistance

Modification Enabling Program

- Provides assistance to help achieve a permanent modification for eligible homeowners
- Up to \$50,000 is available to reduce loan amount and assist in achieving an affordable payment for the homeowner

Common HHF Eligibility Criteria

AMI Max of
140%

Property has to
be borrower's
Principal
Residence

U.S. Citizen or
lawful permanent
resident

Eligible Hardship
(not for DPA)

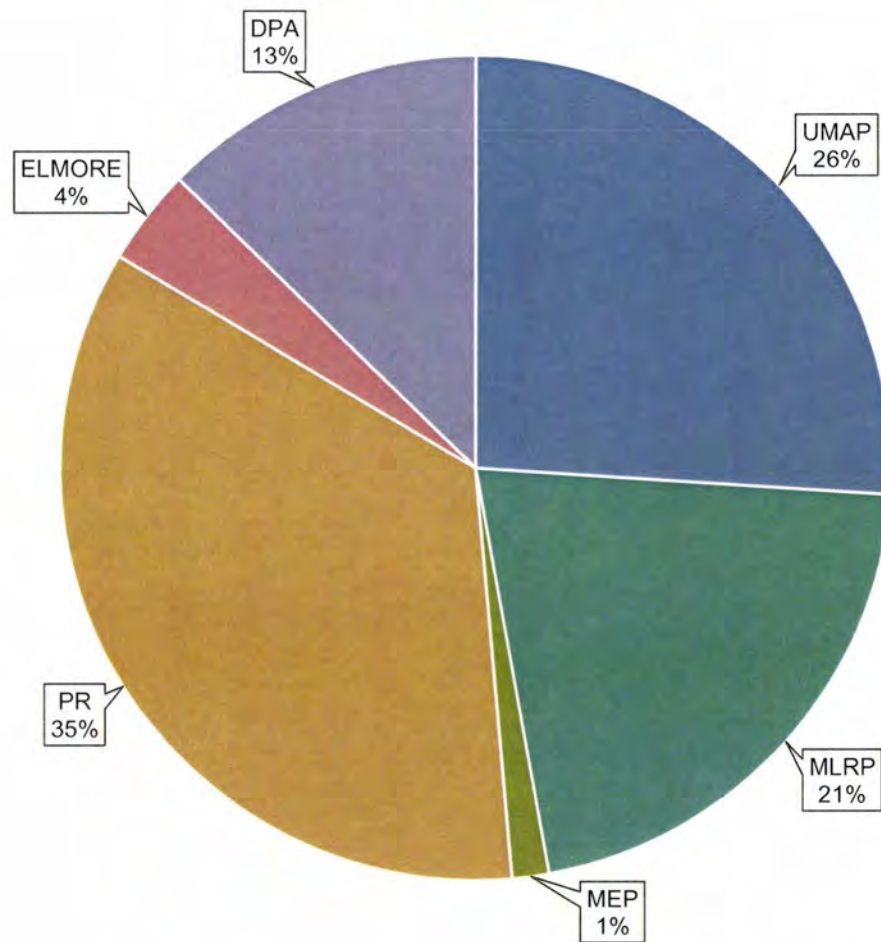
Payments made
to participating
servicers

Unpaid Principal
Balance under
\$400,000 (under
\$350,000 for PR)

HHF Assistance to Date

- ❖ Homeowners Served
33,951
- ❖ Program Funds Spent
\$724,439,380
- ❖ Program Funds Committed
\$817,721,198
- ❖ Per Month Average Spending
(last 6 months)
\$14,229,341

Funds Spent by Program



Federal Private Activity Bonds

- ❖ Florida Housing is a “conduit” bond issuer; the state is not obligated for payments to bondholders
- ❖ Prior to any bond sale, SBA is required by s. 420.509(2), F.S., to make a determination of the fiscal sufficiency for the bonds to be issued.
- ❖ Proceeds from multifamily bond issues are used to finance development of rental apartments.
- ❖ Proceeds from single family bond issues are used to fund individual homebuyer loans; bond allocation is also used to issue Mortgage Credit Certificates.

Resources for Constituents



THANK YOU



We Make Housing Affordable

www.floridahousing.org