

PCS for HB 789

ORIGINAL

YEAR

1 A bill to be entitled
 2 An act relating to local government finance; creating
 3 s. 166.225, F.S.; authorizing a municipality to levy a
 4 special assessment to fund the costs of providing law
 5 enforcement services under certain circumstances;
 6 requiring that a municipality meet certain criteria to
 7 levy and collect the special assessment; providing a
 8 methodology for the apportionment of the special
 9 assessment and the reduction of the ad valorem
 10 millage; requiring the property appraiser to list the
 11 special assessment on the notice of property taxes;
 12 providing for termination of a municipality's
 13 authority to levy the special assessment; authorizing
 14 the Department of Revenue to adopt rules and forms;
 15 providing for construction; creating s. 166.30, F.S.;
 16 providing definitions; requiring municipalities that
 17 meet certain thresholds for specified delinquent
 18 revenues to issue a procurement request to collect
 19 such revenues; requiring procurement requests to be
 20 sent to consumer collection agencies; providing that
 21 municipalities issuing procurement requests are not
 22 required to enter into a contract; excluding certain
 23 delinquent revenues from threshold calculations under
 24 certain circumstances; requiring that copies of all
 25 bids received be filed with the Department of
 26 Financial Services; amending s. 218.39, F.S.;

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27 requiring that a discussion of capital recovery
 28 efforts be included in the management letter
 29 accompanying a municipality's annual financial audit
 30 report; providing an effective date.
 31

32 Be It Enacted by the Legislature of the State of Florida:
 33

34 Section 1. Section 166.225, Florida Statutes, is created
 35 to read:

36 166.225 Law enforcement services special assessment.—

37 (1) GENERAL.—The governing body of a municipality may levy
 38 a law enforcement services special assessment to fund all or a
 39 portion of its costs of providing law enforcement services, if
 40 the governing body:

41 (a) Apportions the cost of law enforcement services among
 42 the parcels of real property in the municipality in reasonable
 43 proportion to the benefit received by each parcel;

44 (b) Levies ad valorem taxes for the fiscal year
 45 immediately preceding the fiscal year in which the special
 46 assessment is first collected;

47 (c) Reduces its ad valorem millage pursuant to subsection
 48 (3); and

49 (d) Levies and collects the special assessment pursuant to
 50 s. 197.3632.

51 (2) APPORTIONMENT METHODOLOGY.—The methodology used to
 52 determine the benefit that a parcel of real property derives

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53 from law enforcement services may be based on the following:
 54 (a) The square footage of structures on the parcel.
 55 (b) The location of the parcel.
 56 (c) The use of the parcel.
 57 (d) The projected amount of time that the municipal law
 58 enforcement agency will spend serving and protecting the parcel,
 59 grouped by neighborhood, zone, or category of use, which may
 60 include the projected amount of time that will be spent
 61 responding to calls for law enforcement services and the
 62 projected amount of time that law enforcement officers will
 63 spend patrolling or regulating traffic on the streets that
 64 provide access to the parcel.
 65 (e) Any other factor that may reasonably be used to
 66 determine the benefit of law enforcement services to a parcel of
 67 real property.
 68 (3) REDUCTION IN AD VALOREM MILLAGE.—
 69 (a) In the first year that the special assessment is
 70 levied, the governing body of the municipality must reduce its
 71 ad valorem millage, calculated as if there were no law
 72 enforcement services assessment, by the millage that would be
 73 required to collect revenue equal to the revenue that is
 74 forecast to be collected from the special assessment.
 75 (b) When preparing the notice of proposed property taxes
 76 pursuant to s. 200.069 in the first year of the assessment, the
 77 governing body of the municipality shall calculate the rolled-
 78 back millage rate pursuant to s. 200.065(5) and shall determine

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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79 the preliminary proposed millage rate as if there were no law
 80 enforcement services special assessment. The governing body
 81 shall then adopt the proposed law enforcement services special
 82 assessment and determine the equivalent millage rate pursuant to
 83 paragraph (a). The preliminary proposed millage rate must then
 84 be reduced by the amount of the law enforcement services special
 85 assessment equivalent millage rate and the resulting millage
 86 rate reported to the property appraiser, together with the
 87 amount of the law enforcement services special assessment,
 88 pursuant to the notice requirements of ss. 200.065 and 200.069.
 89 The property appraiser shall list the law enforcement services
 90 special assessment on the notice of proposed property taxes
 91 below the line in the columns reserved for non-ad valorem
 92 assessments. After the first year of the assessment, the millage
 93 rate and rolled-back rate for the notice of proposed property
 94 taxes shall be calculated pursuant to s. 200.065(5) and must be
 95 based on the adopted millage rate from the previous year.

96 (c) The special assessment revenues must not be greater
 97 than an amount that would result in a proposed millage rate of
 98 zero for the first year of the assessment reported to the
 99 property appraiser under paragraph (b).

100 (4) TERMINATION OF AUTHORITY.—A municipality's authority
 101 to levy the special assessment is terminated beginning in any
 102 fiscal year for which the municipality's final adopted millage
 103 rate exceeds the proposed millage rate for the first year of the
 104 assessment reported to the property appraiser under paragraph

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105 (3) (b) .

106 (5) RULES AND FORMS.—The Department of Revenue may adopt
 107 rules and forms necessary to administer this section.

108 (6) CONSTRUCTION.—The levy of a law enforcement services
 109 special assessment pursuant to this section shall be construed
 110 as being authorized by general law in accordance with ss. 1 and
 111 9, Art. VII of the State Constitution.

112 Section 2. Section 166.30, Florida Statutes, is created to
 113 read:

114 166.30 Municipal capital recovery.—

115 (1) As used in this section, the term:

116 (a) "Abatement fine" means an amount billed to an owner of
 117 real property by a municipality after the municipality brings
 118 such real property or a portion thereof into compliance with a
 119 municipal ordinance or code by removing, repairing,
 120 rehabilitating, demolishing, improving, remediating, storing,
 121 transporting, or disposing of any portion of the real property
 122 or any tangible personal property located thereon, regardless of
 123 whether a lien was attached to the property related to such
 124 fine.

125 (b) "Administrative fine" means an amount billed to an
 126 individual for a violation of a municipal ordinance or code
 127 unrelated to real property.

128 (c) "Delinquent" means unpaid after the due date listed on
 129 the original billing of an abatement fine, administrative fine,
 130 property fine, or utility charge, regardless of whether the

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131 municipality has contracted with a collection agency pursuant to
 132 s. 938.35 for the collection of the unpaid fines or charges.

133 (d) "Designated revenues" means abatement fines,
 134 administrative fines, property fines, and utility charges.

135 (e) "Procurement request" means an invitation to bid, an
 136 invitation to negotiate, or a request for proposals issued by a
 137 municipality pursuant to its procurement policies.

138 (f) "Property fine" means an amount, other than an
 139 abatement fine, billed to a property owner due to the property
 140 owner's property being out of compliance with a municipal
 141 ordinance or code, regardless of whether a lien was attached to
 142 the property related to such fine.

143 (g) "Utility charge" means an amount billed to a customer,
 144 other than a government entity as defined in s. 768.295, by a
 145 municipally owned utility for providing utility service.

146 (2) Beginning October 1, 2016, a municipality shall issue
 147 a procurement request meeting the requirements of subsection (4)
 148 if the municipality has designated revenues totaling at least:

149 (a) Ten million dollars which are more than 90 days
 150 delinquent;

151 (b) Five million dollars which are more than 180 days
 152 delinquent; or

153 (c) One million dollars which are more than 270 days
 154 delinquent.

155 (3) A municipality that meets at least one of the criteria
 156 in subsection (2) 1 year after issuing a procurement request

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157 pursuant to this section must issue an additional procurement
 158 request meeting the requirements of subsection (4).

159 (4) A procurement request issued pursuant to this section
 160 must be issued no later than 30 days after the criteria set
 161 forth in subsection (2) or subsection (3) are met and must seek
 162 bids from consumer collection agencies registered pursuant to s.
 163 559.553.

164 (5) Subsections (2) and (3) do not apply to a municipality
 165 whose delinquent designated revenues are less than 20 percent of
 166 the total designated revenues billed by the municipality in the
 167 previous 12 months.

168 (6) A municipality is not required to enter into a
 169 contract for services with any consumer collection agency that
 170 responds to the procurement request.

171 (7) Any delinquent designated revenues that a consumer
 172 collection agency has contracted to collect in response to a
 173 procurement request issued pursuant to this section shall be
 174 excluded from the calculation made by the municipality when
 175 determining whether any of the criteria in subsection (2) are
 176 met.

177 (8) The municipality shall forward a copy of all bids that
 178 it has received in response to any procurement request issued
 179 pursuant to this section to the Department of Financial
 180 Services. The Department of Financial Services shall keep all of
 181 the bids on file for at least 5 years.

182 Section 3. Subsection (4) of section 218.39, Florida

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183 Statutes, is amended to read:

184 218.39 Annual financial audit reports.—

185 (4) A management letter shall be prepared and included as
 186 a part of each financial audit report. For each municipal
 187 financial audit report, the letter must include a discussion of
 188 the current balance of the municipality's delinquent designated
 189 revenues as defined in s. 166.30 and the efforts that the
 190 municipality has undertaken to collect such.

191 Section 4. This act shall take effect July 1, 2016.