

**STORAGE NAME:** h1503s1.ccc

**DATE:** April 1, 1997

**HOUSE OF REPRESENTATIVES  
COMMITTEE ON  
COMMUNITY COLLEGES AND CAREER PREP  
BILL ANALYSIS & ECONOMIC IMPACT STATEMENT**

**BILL #:** CS/HB 1503

**RELATING TO:** Miami-Dade Community College, Dade County (ad valorem tax)

**SPONSOR(S):** Representative Morse and the Committee on Community Colleges and Career Prep

**STATUTE(S) AFFECTED:** None

**COMPANION BILL(S):** SB 2242 by Senator Diaz-Balart

**ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:**

- (1) COMMUNITY COLLEGES AND CAREER PREP YEAS 11 NAYS 0
- (2) FINANCE & TAXATION
- (3) EDUCATION APPROPRIATIONS
- (4)
- (5)

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**I. SUMMARY:**

The bill authorizes the District Board of Trustees for Miami-Dade Community College to levy up to one mill per year of ad valorem tax on the taxable property in Dade County for a period of ten years. Approval by the voters in a referendum election is required before the tax is levied. State funding to Miami-Dade Community College may not be reduced due to revenue from the local tax.

The revenue generated from the ad valorem tax may be used for the enhancement of academic programs. The funds may not be used for new construction or employee salaries.

The bill prohibits the Miami-Dade Community College Board of Trustees from establishing higher fees for Florida residents living outside of the geographic boundaries of Dade County.

II. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

Miami-Dade Community College is one of 28 community college districts within the Community College System. The Community College System is governed by Part III of Chapter 240, Florida Statutes. Section 240.313, Florida Statutes specifies that each "community college district authorized by law and by the Department of Education is an independent, separate, legal entity created for the operation of a community college." Section 240.317, F.S., further specifies the intent of the legislature that "community colleges, constituted as political subdivisions of the state, continue to be operated by district boards of trustees." Section 240.359, F.S., describes the procedure for determining state financial support and the annual apportionment of state funds to each community college district.

The Uniform Special District Accountability Act of 1989, chapter 189, Florida Statutes, specifies criteria for the establishment of special districts. Section 189.403(1), F.S., defines special district as a "local unit of special purpose, as opposed to general-purpose, government within a limited boundary, created by general law, special act, local ordinance, or by rule of the Governor and Cabinet." It further clarifies that the term special district "does not include a school district, a community college district" and others.

Pursuant to Article VII, Section 9 of the Florida Constitution, the Legislature may authorize special districts to levy ad valorem taxes, subject to the referendum process.

B. EFFECT OF PROPOSED CHANGES:

Subject to the referendum process, this bill would authorize the District Board of Trustees of Miami-Dade Community College to levy an ad valorem tax up to 1 mill per year for 10 years.

Notwithstanding the definition of special districts in section 189.403(1), Florida Statutes, Miami-Dade Community College would be established as a special district for purposes set forth in Article VII, section 9 of the State Constitution, that authorizes special districts to levy ad valorem taxes if authorized by law and approved by a voter referendum. The Miami-Dade Community College special district status would be limited to 12 years.

State funding for Miami-Dade Community College would not be reduced because of revenue generated from the ad valorem tax. The revenue could be used for the enhancement of academic excellence programs, completion of technology infrastructure, renovation and upgrade of facilities, deferred maintenance, programs serving students with disabilities, and the enhancement of services and programs at all of the Miami-Dade Community College sites in Dade County. Revenue from the tax may not be used for new construction or employee salaries.

The Board of Trustees of Miami-Dade Community College would be prohibited from establishing higher fees for Florida residents, who might attend Miami-Dade Community College or any branch campus, and who are not living within the geographic boundaries of Dade County.

This bill might lead to the proliferation of other similar bills. Other community college districts, particularly those located within one county, could request similar bills to provide them with an extra source of revenue.

**C. APPLICATION OF PRINCIPLES:**

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

No.

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

Subject to the referendum process, this bill would authorize the District Board of Trustees for Miami-Dade Community College to levy up to 1 mill ad valorem tax per year on the taxable property in Dade County for a period of 10 years.

(3) any entitlement to a government service or benefit?

No.

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

NA

(2) what is the cost of such responsibility at the new level/agency?

NA

(3) how is the new agency accountable to the people governed?

NA

2. Lower Taxes:

- a. Does the bill increase anyone's taxes?

Indeterminate - it would depend on the outcome of a voter referendum.

- b. Does the bill require or authorize an increase in any fees?

No.

- c. Does the bill reduce total taxes, both rates and revenues?

No.

- d. Does the bill reduce total fees, both rates and revenues?

No.

- e. Does the bill authorize any fee or tax increase by any local government?

Subject to the referendum process, this bill would authorize the District Board of Trustees for Miami-Dade Community College to levy up to 1 mill ad valorem tax per year on the taxable property in Dade County for a period of 10 years.

3. Personal Responsibility:

- a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

No.

- b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

If the voters approve the 1 mill ad valorem tax, they will be responsible for paying the tax.

4. Individual Freedom:

- a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

No.

- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

No.

5. Family Empowerment:

a. If the bill purports to provide services to families or children:

(1) Who evaluates the family's needs?

NA

(2) Who makes the decisions?

NA

(3) Are private alternatives permitted?

NA

(4) Are families required to participate in a program?

NA

(5) Are families penalized for not participating in a program?

NA

b. Does the bill directly affect the legal rights and obligations between family members?

No.

c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

(1) parents and guardians?

NA

(2) service providers?

NA

(3) government employees/agencies?

NA

**D. SECTION-BY-SECTION ANALYSIS:**

Section 1. Describes the intent of the Legislature.

Section 2. Authorizes the District Board of Trustees of Miami-Dade Community College to levy an ad valorem tax of up to 1 mill per year for 10 years.

Section 3. Provides that the annual apportionment of state funds for Miami-Dade Community College not be reduced because of receiving revenue from the ad valorem tax.

Section 4. Prohibits the establishment of differentiated fees.

Section 5. Provides that, except for this section that takes effect upon becoming law, the provisions of the act are contingent upon approval by a vote of the electors of Dade County in a referendum election. The District Board is prohibited from paying for the referendum with student fees or state tax revenues and must provide 30 days notice of the election. This section authorizes the District Board to cancel the election and places an expiration date of November 4, 1999, on the District Board's authority to call a referendum election.

**III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:**

**A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:**

1. Non-recurring Effects:

None.

2. Recurring Effects:

None.

3. Long Run Effects Other Than Normal Growth:

None.

4. Total Revenues and Expenditures:

None.

**B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:**

1. Non-recurring Effects:

Should the District Board of Trustees of Miami-Dade Community College choose to call a special election, the District Board would be responsible for paying the expense of the election.

2. Recurring Effects:

Miami-Dade Community College could benefit from local funds that are in addition to state funds for the enhancement of academic excellence programs, completion of technology infrastructure, renovation and upgrade of facilities, deferred maintenance, programs serving students with disabilities, and the enhancement of services and programs.

3. Long Run Effects Other Than Normal Growth:

Could have an impact on other community colleges should they choose to pursue the same type of taxing authority.

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

1. Direct Private Sector Costs:

The citizens of Dade County would be responsible for payment of a state-authorized, locally-approved, ad valorem tax.

2. Direct Private Sector Benefits:

Students of Miami-Dade Community College could benefit from improved programs, services, and facilities.

3. Effects on Competition, Private Enterprise and Employment Markets:

None.

D. **FISCAL COMMENTS:**

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. **APPLICABILITY OF THE MANDATES PROVISION:**

This bill does not require counties or municipalities to spend funds to take an action requiring the expenditure of funds.

**B. REDUCTION OF REVENUE RAISING AUTHORITY:**

This bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate.

**C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:**

This bill does not reduce the percentage of a state tax shared with counties or municipalities.

**V. COMMENTS:**

**VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:**

The original version of the bill was in conflict with Chapter 189, Florida Statutes. In Chapter 189, F.S., community colleges are specifically excluded from the definition of special districts. Additionally, the original bill had ambiguities in the creation of the special district, specific boundaries and time limits to the special district, and the ad valorem taxing rate. To address these issues, the bill was amended notwithstanding the definition of special districts in Chapter 189, F.S., to provide specific authority by creating Miami-Dade Community College as a special district within the geographic boundaries of Dade County, limit the time frame of the special district, and clarify the taxing rate. The bill was also amended to prohibit the Board of Trustees of Miami-Dade Community College from establishing higher fees for Florida residents living outside of the geographic boundaries of Dade County.

**VII. SIGNATURES:**

**COMMITTEE ON COMMUNITY COLLEGES AND CAREER PREP:**

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