

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based only on the provisions contained in the legislation as of the latest date listed below.)

BILL: SB 2628

SPONSOR: Senator Campbell

SUBJECT: The Town of Davie

DATE: March 30, 1999

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Cooper</u>	<u>Yeatman</u>	<u>CA</u>	<u>Favorable</u>
2.	_____	_____	<u>RC</u>	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

I. Summary:

This bill provides that the calculation of population for the Town of Davie, beginning with FY 1998-99, include residents added as a result of annexations made pursuant to chapters 98-509, 98-510, 98-511, and 98-513, L.O.F. This will result in additional distribution of state-shared revenues for FY 1998-99 for the Town of Davie. This could also result in additional revenues from other state and federal programs.

This bill creates a new provision of Florida Law.

II. Present Situation:

Broward County Annexations

Broward County is located on Florida's South Atlantic coast and consists of nearly 1,200 square miles and a population of approximately 1.3 million residents. Broward County currently contains 29 municipalities, the majority of which achieved their current corporate boundaries through a multitude of annexations.

In 1996, in cooperation with the Broward County Commission, the Broward County Legislative Delegation created the Ad Hoc Committee on Annexation Policy. The delegation charged the committee with the responsibility of developing and recommending policy to the Broward Legislative Delegation regarding the terms under which it would consider future annexations. The committee recommended that annexation of all the remaining unincorporated areas of Broward County should be encouraged to occur by the year 2010 and unincorporated areas remaining after 2010 will be subject to required annexation by the Florida Legislature.

The 1996 Florida Legislature adopted a special act (chapter 96-542, L.O.F.) which exempts Broward County from the general law provisions in chapter 171, F.S. These provisions require a referendum of the electors of an annexing municipality where the total area annexed by a

municipality during a calendar year cumulatively exceeds more than 5 percent of the total land area of the municipality or cumulatively exceeds more than 5 percent of the municipal population.

In addition, the special act requires that any annexation of unincorporated property within Broward County proposed to be accomplished pursuant to general law first must be considered at a public hearing conducted by the Broward County Legislative Delegation, pursuant to its adopted rules. The annexation is not effective until the first day of October following adjournment of the next regular legislative session following the accomplishment of all procedures necessary for annexation.

Chapters 98-509, 98-510, 98-511, and 98-513, L.O.F., annexed the areas known as Park City West, Rexmere, King's Manor, and Park City Estates, respectively, into the City of Davie.

Population Projections

Section 186.901, F.S., requires the Executive Office of the Governor, either through its own resources or by contract, to produce population estimates of local governmental units as of April 1 of each year, using accepted statistical practices. These estimates are compiled by the Bureau of Business and Economic Research, Warrington College of Business Administration of the University of Florida. These estimates are used in the calculation of any revenue-sharing formula with local governments under the provisions of ss. 218.20 - 218.26, F.S. For municipal annexations occurring between April 1 and February 28, the Executive Office of the Governor must determine the population count of the annexed areas as of April 1 and include it in its certification to the Department of Revenue for the annual revenue sharing calculation.

Revenue Sharing

Sections 218.20 - 218.26, F.S., is known as the Florida Revenue Sharing Act of 1972. The current structure of the revenue sharing program consists of three revenue sources for municipalities and two revenue sources for counties. The Municipal Revenue Sharing Trust Fund includes a portion of net cigarette tax collections, the one-cent municipal fuel tax collections, and a portion of the state alternative fuel user decal fee collections. The County Revenue Sharing Trust Fund include portions of net cigarette tax collections and net intangible tax collections.

Population is one component in the distribution formula for these state shared revenues. As a result, municipalities annexing property increase their share of state shared revenues relative to other cities. Likewise, a county's share of state shared revenues decreases, relative to other counties, when its unincorporated population decreases due to annexations.

Section 218.26(3)(a), F.S., requires the Department of Revenue to compute the apportionment factors for state shared revenues once a year, prior to July 25. This computation must be based on information submitted and certified to the department prior to June 1 of each year.

Chapters 98-509, 98-510, and 98-513, L.O.F., became effective October 1, 1998. Chapter 98-511, L.O.F., which became a law on May 23, 1998, became effective after the Town Council adopted a resolution annexing the property. Consequently, the population of these newly annexed

properties were not included in the calculation of state-shared revenues for the Town of Davie for FY 1998-99.

III. Effect of Proposed Changes:

This bill provides that the calculation of population for the Town of Davie, beginning with FY 1998-99, include residents added as a result of annexations made pursuant to chapters 98-509, 98-510, 98-511, and 98-513, L.O.F., notwithstanding ss. 186.901, and 218.26, F.S. This will result in additional distribution of state-shared revenues for FY 1998-99 to the Town of Davie. This could also result in additional revenues from other state and federal programs.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The recalculation of population for the Town of Davie and Broward County will result in additional state-shared revenue for the Town of Davie (est.: \$340,000) and less state-shared revenue for Broward County.

VI. Technical Deficiencies:

None.

VII. Related Issues:

Notice of the local bill was published January 31, 1999 in the Miami Herald, Miami-Dade County, Florida.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
