### HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1087 Annexation Procedures for Municipalities SPONSOR(S): Silvers TIED BILLS: IDEN./SIM. BILLS: SB 1488

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Local, Federal & Veterans Affairs Subcommittee	11 Y, 0 N	Banner	Miller
2) Agriculture & Property Rights Subcommittee			
3) Government Accountability Committee			

#### SUMMARY ANALYSIS

The Florida Constitution authorizes the Legislature to establish procedures for the municipal annexation of unincorporated territory by general or special law. The "Municipal Annexation or Contraction Act," passed in 1974, sets forth a mechanism for municipalities to annex territory in accordance with ch. 171, F.S.

The bill removes a limitation on requiring the city to get permission from at least 50 percent of owners in an area proposed to be annexed, when more than 70 percent of the land is owned by individuals, corporations, or legal entities.

The bill allows an area to be annexed without a vote of the electors, if there are no registered electors that own property in the area proposed to be annexed on the date the ordinance is adopted.

The bill does not appear to have a fiscal impact on state or local governments.

The effective date of the bill is July 1, 2017.

## FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

### A. EFFECT OF PROPOSED CHANGES:

#### **Present Situation**

#### Annexation under General Law

The Florida Constitution authorizes the Legislature to develop procedures for the municipal annexation of unincorporated territory by general or special act.<sup>1</sup> The "Municipal Annexation or Contraction Act," passed in 1974, sets forth a mechanism for municipalities to annex territory (or recede from territory by contraction).<sup>2</sup> Municipalities may annex territory that is:<sup>3</sup>

- Contiguous (a substantial part of a boundary of the territory to be annexed is coterminous with a part of the boundary of the municipality);<sup>4</sup>
- Compact (concentration of a piece of property in a single area, precluding the creation of enclaves, pockets, or finger areas in serpentine patterns);<sup>5</sup>
- Unincorporated (not within the boundaries of another municipality);<sup>6</sup> and
- Developed for urban purposes.<sup>7</sup>

Annexation may be accomplished in two ways: by ordinance of the annexing municipality<sup>8</sup> or on a voluntary basis.<sup>9</sup>

The governing body of a municipality may adopt an ordinance annexing a piece of contiguous, compact, unincorporated territory.<sup>10</sup> The municipality must hold at least two public hearings before the adoption of the ordinance.<sup>11</sup> A resulting ordinance approved by the governing body is then submitted to a referendum of electors in the area to be annexed.<sup>12</sup> The municipality may, but is not required, to submit approval for the annexation to its own electors.<sup>13</sup> If the ordinance is approved by the electors, the ordinance takes effect either ten days after the referendum or on the date provided in the ordinance (which may not be more than one year following the date of the referendum).<sup>14</sup>

Current law requires that if more than 70 percent of the land in the area proposed to be annexed is owned by individuals, corporations, or legal entities that are not registered electors of the area, the area cannot be annexed without the approval of at least 50 percent of the owners.<sup>15</sup> Additionally, a vote of electors of the area proposed to be annexed is not required if the area does not have any registered voters.<sup>16</sup>

- <sup>8</sup> Section 171.0413, F.S.
- <sup>9</sup> Section 171.044, F.S.
- <sup>10</sup> Section 171.0413(1), F.S.
- <sup>11</sup> Id.

- $^{13}_{14}$  Id.
- <sup>14</sup> Section 171.0413(1), F.S.

<sup>&</sup>lt;sup>1</sup> Art. VIII, s. 2(c), Fla. Const.

<sup>&</sup>lt;sup>2</sup> Ch. 171, part I, F.S.

<sup>&</sup>lt;sup>3</sup> Section 171.043, F.S.

<sup>&</sup>lt;sup>4</sup> Section 171.031(11), F.S.

<sup>&</sup>lt;sup>5</sup> Section 171.031(12), F.S.

<sup>&</sup>lt;sup>6</sup> Section 171.043(1), F.S.

<sup>&</sup>lt;sup>7</sup> Section 171.042(2), F.S.

 $<sup>^{12}</sup>$  Section 171.0413(2), F.S.

<sup>&</sup>lt;sup>15</sup> Section 171.0413(5), F.S.

<sup>&</sup>lt;sup>16</sup> Section 171.0413(6), F.S. **STORAGE NAME**: h1087a.LFV

DATE: 3/15/2017

Alternatively, the property owners of an unincorporated area may petition for voluntary annexation, unless the county charter provides for an exclusive method for municipal annexation.<sup>17</sup> Voluntary annexation requires the consent of all property owners in the area to be annexed, as well as the adoption of an ordinance by the annexing municipality.<sup>18</sup>

# **Effect of Proposed Changes**

The bill revises the requirement for a municipality to obtain consent from at least 50 percent of owners in an area proposed to be annexed, when more than 70 percent of the land is owned by individuals, corporations, or legal entities, by removing a condition that these owners of more than 70 percent of the affected land must not be registered voters in the area to be annexed.

The bill allows an area to be annexed without a vote of the electors, if there are no registered electors that own property in the area proposed to be annexed on the date the ordinance is adopted. The bill also makes other technical changes.

- **B. SECTION DIRECTORY:** 
  - Section 1: Amends s. 171.0413(5), F.S., to require a municipality obtain consent from 50 percent of the land owners in the affected area, if more than 70 percent of the affected land is owned by individuals, corporations, or other legal entities, before annexing the area. Also amends s. 171.0413(6), F.S., to permit annexation of an area without vote of the affected electors if no registered elector owns property in the area to be annexed, and to make other technical changes.
  - 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:

None.

- C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR: None.
- D. FISCAL COMMENTS:

None.

 <sup>&</sup>lt;sup>17</sup> Section 171.044(4), F.S.
<sup>18</sup> Section 171.044(2), F.S.
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# **III. COMMENTS**

## A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not Applicable. This bill does not appear to require counties or municipalities to spend funds or take action requiring the expenditures of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill neither authorizes nor requires administrative rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

# IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

None.