

# 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: CS/SB 238

SPONSOR: Fiscal Resource Committee and Senator Horne

SUBJECT: Revenue for School Construction

DATE: April 26, 2000 REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Fournier</u>	<u>Wood</u>	<u>FR</u>	<u>Favorable/CS</u>
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

## I. Summary:

The committee substitute for SB 238 specifies that counties are prohibited from levying any impact fee for school purposes in an amount in excess of 37.5% of any school impact fee which that county adopted by county ordinance prior to May 1, 1999. If in any year the Legislature appropriates an amount less than 62.5 percent of the total impact-fee-for-school- purposes revenue that was collected in 1999-2000, a county may increase the county levied portion to make up the difference. The committee substitute also provides that appropriated funds may be used for the same purposes as impact fees levied by the county.

In addition, the committee substitute specifies that funds allocated in the General Appropriation Act for the replacement of school impact fees shall be distribute to county school boards by the Department of Education “on a pro-rata basis based on the amount of school impact fees which were enacted by county ordinance prior to May 1, 1999, and collected during the 1999-2000 fiscal year.”

This bill substantially amends, creates, or repeals the following sections of the Florida Statutes: 125.01.

## II. Present Situation:

Under the Home Rule Power given to counties in Article VIII, Section 6 of the Florida Constitution, and section 125.01, Florida Statutes, counties may levy impact fees on new construction. The fees are used to pay for the increased demand on infrastructure created by new construction. The fees are levied in proportion to the demand created by the new construction and used to build the new infrastructure needed. Impact fees are used to construct new infrastructure including water and sewer facilities, roads, fire departments, and schools.

Currently, fifteen counties levy school impact fees on new construction to finance the construction of new schools. These levies raised approximately \$71.5 million in school impact fees during

1999. In 1999, Chapter 99-239, section 16 imposed a moratorium, until July 1, 2000, on new or increased school impact fees adopted by a county ordinance subsequent to May 1, 1999.

### **III. Effect of Proposed Changes:**

The committee substitute for SB 238 amends s. 125.01, F.S., to prohibit counties from levying any impact fee for school purposes in an amount in excess of 37.5% of any school impact fee which that county adopted by county ordinance prior to May 1, 1999. If in any year the Legislature appropriates an amount less than 62.5 percent of the total impact-fee-for-school-purposes revenue that was collected in 1999-2000, a county may increase the county levied portion to make up the difference. The committee substitute also provides that appropriated funds may be used for the same purposes as impact fees levied by the county.

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### **IV. Constitutional Issues:**

#### **A. Municipality/County Mandates Restrictions:**

This bill limits the ability of local school boards to impose school impact fees by about \$50 million. (These fees generated \$71.5 million in 1999.) As such, this bill is subject to the Mandates Provision.

#### **B. Public Records/Open Meetings Issues:**

None.

#### **C. Trust Funds Restrictions:**

None.

### **V. Economic Impact and Fiscal Note:**

#### **A. Tax/Fee Issues:**

This committee substitute reduces the amount of impact-fee-for-school-purposes revenue collected by about \$50 million and replaces it with appropriated funds.

#### **B. Private Sector Impact:**

Impact fees for school purposes imposed on new residences will be reduced by this committee substitute, lowering the cost of building houses and multi-family housing.

C. Government Sector Impact:

This bill would provide additional revenue for construction by school districts, community colleges, and state universities.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Amendments:**

None.

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

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