

1989

## Session Law 89-342

Florida Senate & House of Representatives

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**H 1479 GENERAL BILL/CS/2ND ENG by Commerce; Saunders  
(Identical S 1560)**

**Area of Critical State Concern:** delays date at which state land planning agency is to recommend, under certain circumstances, removal of designation of Florida Keys as area of critical state concern. Amends 380.0552. Effective Date: 07/05/89.

03/27/89 HOUSE Prefiled  
03/29/89 HOUSE Referred to Commerce; Finance & Taxation; Appropriations  
04/04/89 HOUSE Introduced, referred to Commerce; Finance & Taxation; Appropriations -HJ 141  
04/10/89 HOUSE On Committee agenda—Commerce, 04/12/89, 3:30 pm, 21-HOB—For ratification to subcommittee  
04/13/89 HOUSE On subcommittee agenda—Commerce, 04/17/89, 8:30 am, 415-HOB  
04/17/89 HOUSE Subcommittee Recommendation: Favorable  
04/24/89 HOUSE On Committee agenda—Commerce, 04/26/89, 3:45 pm, 21-HOB  
04/26/89 HOUSE Preliminary Committee Action by Commerce: Favorable as a CS  
05/12/89 HOUSE Comm. Report: CS by Commerce -HJ 486; CS read first time -HJ 486; Now in Finance & Taxation -HJ 486  
05/22/89 HOUSE On Committee agenda—Finance & Taxation, 05/23/89, 8:00 am, 413-C—Not considered  
05/24/89 HOUSE On Committee agenda—Finance & Taxation, 05/25/89, 8:00 am, 413-C  
05/25/89 HOUSE Preliminary Committee Action by Finance & Taxation: Favorable with 2 amendments; Comm. Report: Favorable with 2 amendment(s) by Finance & Taxation -HJ 657; Now in Appropriations -HJ 657  
05/26/89 HOUSE Placed on Consent Calendar; Withdrawn from Appropriations -HJ 661; Placed on Calendar; Read second time -HJ 692; Amendments adopted; Read third time; CS passed as amended; YEAS 102 NAYS 10 -HJ 692  
05/26/89 SENATE In Messages  
05/30/89 SENATE Received, referred to Community Affairs; Finance, Taxation and Claims -SJ 567  
06/02/89 SENATE Withdrawn from Community Affairs; Finance, Taxation and Claims; Substituted for SB 1560; CS passed as amended; YEAS 32 NAYS 0 -SJ 997  
06/02/89 HOUSE In Messages; Concurred; CS passed as further amended; YEAS 109 NAYS 0 -HJ 1462  
06/02/89 Ordered engrossed, then enrolled  
06/20/89 Signed by Officers and presented to Governor  
07/05/89 Approved by Governor; Chapter No. 89-342

NO STAFF ANALYSIS PREPARED ON SUBSTITUTED BILL,  
SB 1560.

**NOTES:** Above bill history from Division of Legislative Information's *FINAL LEGISLATIVE BILL INFORMATION, 1989 SESSIONS*. Staff Analyses for bills amended beyond final committee action may not be in accordance with the enacted law. Journal page numbers (HJ & SJ) refer to daily Journals and may not be the same as final bound Journals.

STORAGE NAME: h1479-f.com  
DATE: 06/20/89

HOUSE OF REPRESENTATIVES  
COMMITTEE ON COMMERCE  
FINAL FINAL FINAL FINAL STAFF ANALYSIS & ECONOMIC IMPACT STATEMENT

BILL #: CS/HB 1479  
RELATING TO: Tourist Impact Tax  
SPONSOR(S): Committee on Commerce & Representative Saunders  
EFFECTIVE DATE: Upon Becoming Law  
DATE BECAME LAW: July 5, 1989  
CHAPTER #: 89-342, Laws of Florida  
COMPANION BILL(S): SB 1560  
OTHER COMMITTEES OF REFERENCE: (1) Finance and Tax  
(2) Appropriations

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I. SUMMARY:

Areas of critical state concern are designated by the Administration Commission upon recommendations from the Department of Community Affairs. Counties which include such areas may levy tourist impact taxes to help defray the cost of purchasing land in these areas. The committee substitute for House Bill 1479 extends for one year the cut off date for consideration by the department for removal of that designation. The criteria for such a determination includes the status of local land development regulations and local comprehensive plans.

A. PRESENT SITUATION:

Areas of critical state concern are designated by the Administration Commission upon recommendations from the Department of Community Affairs. This authorization is granted under s. 380.05, F.S., which requires consideration of criteria such as: if the environmental and natural resources of this area are of statewide importance, if uncontrolled development could cause substantial deterioration of the area, if the area is the habitat for endangered species, as well as other ecological, historical and archaeological factors.

To provide potential funds for the state to purchase more land in these areas and in order to manage development, the Legislature set up three mechanisms to collect revenue.

First, s. 125.0108, F.S., allows a county in which an area of critical state concern has been designated, to levy tourist impact taxes. However, the county must first create a Land

Development Authority whose responsibility it is to: (1) study and analyze county land planning needs; (2) acquire and dispose of property to protect the natural environment, provide public facilities, and provide affordable housing in these areas; (3) conduct a feasibility and design study for establishing a solid waste management facility, and carry out this project if necessary; and (4) recommend land to be purchased by the Conservation and Recreational Lands Trust Fund. The tax, which is levied on transient rentals, must then be approved in a referendum election by a majority of the voters. Land development regulations and a local comprehensive plan must then be initiated in order for the tax to go into effect. Second, s. 380.0668, F.S., authorizes the issuance of revenue bonds on behalf of the land authority, and third, s. 380.0685, F.S., authorizes the Department of Natural Resources to collect a surcharge on the use of state parks located in these areas and remit this revenue to the land authority.

The tourist impact tax revenue is collected and remitted monthly by the Department of Revenue. Fifty percent of the revenue generated in the area of critical state concern is distributed to the Land Development Authority to be used for purchasing property in that particular area. Five percent of that is authorized for administrative costs. The governing board of the county receives the other fifty percent which it uses to offset the loss of property taxes resulting from the county or state's acquisition of land in the area of critical state concern.

Currently, repeal of this tax may occur either by the passage of a resolution by four-fifths vote by the governing board of the county, as provided in s. 125.0108(1)(c), F.S. or automatic repeal ten years after the area of critical state concern designation is removed. In s. 215.81, F.S. of the State Bond Act, the state is pledged to not limit the rights vested in the board, or the division or in any state agency on whose behalf the bonds are issued, to levy, fix, establish or collect taxes that are pledged for such bond indebtedness. Case law supports the notion that taxes cannot be repealed when bond debts are still outstanding.

The date currently set for consideration by the department for removal of the designation of area of critical state concern is July 15, 1989. The criteria for such a determination includes the status of local land development regulations and local comprehensive plans.

**B. EFFECT OF PROPOSED CHANGES:**

The committee substitute for House Bill 1479 extends for one year the cut off date for consideration by the department for removal of that designation.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring or First Year Start-Up Effects:

None, other than those already anticipated at the original enactment of the tourist impact tax.

2. Recurring or Annualized Continuation Effects:

Same

3. Long Run Effects Other Than Normal Growth:

Same

4. Appropriations Consequences:

None

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring or First Year Start-Up Effects:

None

2. Recurring or Annualized Continuation Effects:

Same

3. Long Run Effects Other Than Normal Growth:

Same

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

None for the tourist impact tax, other than those already anticipated at the original enactment of the tax.

2. Direct Private Sector Benefits:

Same

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

Same

D. FISCAL COMMENTS:

III. LONG RANGE CONSEQUENCES:

IV. COMMENTS:

Monroe county is the only county as of September 1988, to have established a Land Development Authority, and is therefore the only county eligible to impose the tourist impact tax. The county estimates it may raise as much as \$1,475,000 annually from the one percent tourist impact tax. Of the 50 percent of these revenues, which the Land Authority will receive (\$737,500), \$36,875 may be budgeted for administration expenses. The remainder of the money will be used for land acquisition split evenly between the City of Key West and the county.

V. LEGISLATIVE HISTORY:

A. ENACTED BILL:

House Bill 1479 was prefiled by Representative Saunders on 3/27/89. The bill was referred to the committees on Commerce, Finance & Taxation, and Appropriations on 3/29. The Subcommittee on Tourism and Cultural Affairs reported the bill favorably on 4/17 to the full committee. On 4/26, the bill passed the Commerce Committee as a committee substitute (CS). The Finance & Taxation Committee further amended the CS and reported it favorably on 5/25. It was withdrawn from Appropriations and placed on the Concent Calendar on 5/26, and passed out of the House as further amended by a vote of 102-10 (HJ 00692). The Senate received the CS in messages on 5/30, and referred it to the committees on Community Affairs and Finance, Taxation & Claims. It was withdrawn from those committees and substituted for Senate Bill 1560, further amended and passed out of the Senate on 6/2 by a vote of 32-0 (SJ 00997). The House concurred and passed the CS as further amended by a vote of 109-0 on 6/2 (HJ 01462). The CS was then ordered engrossed and enrolled.

B. DISPOSITION OF COMPANION:

Senate Bill 1560 was introduced by Senator Plummer on 5/30/89. It was referred to the Committee on Rules and Calendar from which it was subsequently withdrawn. On 6/2, the bill was placed on the Special Order Calendar, substituted for by CS/HB 1479, and laid on the table (SJ.0997).

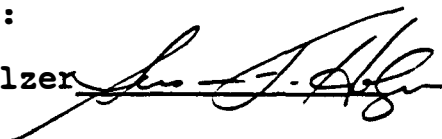
VI. SIGNATURES:

SUBSTANTIVE COMMITTEE:

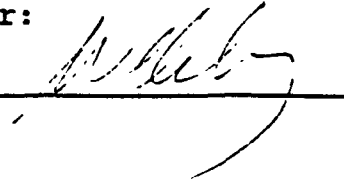
Prepared by:

Staff Director:

Susan F. Holzer



William Leary



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**DATE:** 06/20/89

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**SECOND COMMITTEE OF REFERENCE:**

Prepared by:

Staff Director:

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**APPROPRIATIONS:**

Prepared by:

Staff Director:

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