

## REVENUE ESTIMATING CONFERENCE

**Tax:** Ad Valorem

**Issue:** SOH Portability Timeframes (Implementing Bill)

**Bill Number(s):** SB 324

**Entire Bill**

**Partial Bill:**

**Sponsor(s):** Senator Brandes

**Month/Year Impact Begins:** January 1, 2021

**Date of Analysis:** January 24, 2019

### Section 1: Narrative

#### a. Current Law:

Section 193.155(8), Florida Statutes, begins "Property assessed under this section shall be assessed at less than just value when the person who establishes a new homestead has received a homestead exemption as of January 1 of either of the 2 immediately preceding years. A person who establishes a new homestead as of January 1, 2008, is entitled to have the new homestead assessed at less than just value only if that person received a homestead exemption on January 1, 2007, and only if this subsection applies retroactive to January 1, 2008. For purposes of this subsection, a husband and wife who owned and both permanently resided on a previous homestead shall each be considered to have received the homestead exemption even though only the husband or the wife applied for the homestead exemption on the previous homestead. The assessed value of the newly established homestead shall be determined as provided in this subsection."

It further references the period of eligibility ("either of the 2 immediately preceding years") in paragraphs (c) and (d). The subsection continues to describe the circumstances of eligibility, how to calculate the assessment differential transferred, and the application and information sharing processes.

Paragraph (m) allows owners whose homesteads were "significantly damaged or destroyed as a result of a named tropical storm or hurricane" to retroactively abandon their homestead on the date of the storm "even though the owner received a homestead exemption on the property as of January 1 of the year immediately following the named tropical storm or hurricane." The homeowner has the calendar year after the storm to do this and must establish the new homestead on or by January 1 of the second year following the storm or hurricane. This paragraph only applies to homesteads damaged or destroyed on or after January 1, 2017.

#### b. Proposed Change:

This bill amends subsection (8) to begin "Property assessed under this section shall be assessed at less than just value when the person who establishes a new homestead has received a homestead exemption as of January 1 of any of the 3 immediately preceding years. For purposes of this subsection, a husband and wife who owned and both permanently resided on a previous homestead shall each be considered to have received the homestead exemption even though only the husband or the wife applied for the homestead exemption on the previous homestead. The assessed value of the newly established homestead shall be determined as provided in this subsection."

References to the eligible timeframe in paragraphs (c) and (d) are revised to extend the timeframe to "any of the 3 immediately preceding years." An obsolete provision in paragraph (j) regarding applications for 2008 assessments is deleted.

The timeframe in paragraph (m) of the same subsection is also extended. It states, "The election provided for in this paragraph is available only if the owner establishes a new homestead as of January 1 of the third year immediately following the storm or hurricane."

Section 2 of the bill states "This act applies beginning with the 2021 tax roll." Section 3 provides an effective date contingent on the approval of the constitutional amendment proposed in a companion SJR "or a similar joint resolution having substantially the same specific intent and purpose, if such amendment to the State Constitution is approved at the general election held in November 2020 or at an earlier special election specifically authorized by law for that purpose."

### Section 2: Description of Data and Sources

Ad Valorem Revenue Estimating Conference, Save-Our-Homes (SOH) Transfer Value, December 2018

Real Property Assessment Rolls (Final), 2013-2018

2018 Florida Ad Valorem Valuation and Tax Data Book (Final), 2008 Constitutional Amendment Impact Report

Conversations with Property Appraiser's Offices

### Section 3: Methodology (Include Assumptions and Attach Details)

The methodology description is identical to the one in the impact analysis for SJR 326. However, this analysis assumes that the amendment will pass so the proposed fiscal impact is not presented as negative indeterminate.

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**Tax:** Ad Valorem

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The real property assessment rolls include six fields containing homestead portability information. The relevant fields are a flag for any parcel whose owner(s) transferred homestead benefits and are establishing a new homestead on that roll, the assessment differential transferred, and the Year Value Transferred, which must be either of the previous two years. The Year Value Transferred field refers to the last year the owner had a homestead classification on the previous home (typically the sale year).

Parcels flagged in the Assessment Differential Transfer Flag field were extracted from the statewide 2013-2018 rolls. In 2018, there were 22 counties whose rolls include portability information for homeowners establishing new homesteads where the assessment differential transferred was \$0. As these records artificially inflate the parcel count, these cases were not included in the analysis.

For each roll year, the transfers were aggregated by county and Year Value Transferred. On the 2018 roll, for example, all transfers where the previous homestead was abandoned in 2017 were aggregated separately from all instances where the previous homestead was abandoned in 2016. Cases where the Year Value Transferred was incorrectly entered into the system (typographical errors, etc.) were excluded, leaving two prior years for each roll. Because the 2013-2018 rolls were analyzed, the relationship between the first and second years of eligibility can be examined for homesteads abandoned from 2012 to 2016. (Only the second year of eligibility for 2011 sales was on the 2013 roll, and the second year of eligibility for 2017 sales will be 2019.)

Using the statewide aggregates, the percent change in differential transferred (and parcel counts) from the first year of eligibility to the second year was calculated for each abandonment year. These were all steep drops ranging from -80% to -83%. Following the conference’s preference for similar bills during the 2018 session, a drop of -85% was assumed to calculate the third-year estimate. Thus, the differential transferred during a possible third year of eligibility equals the differential transferred during the second year of eligibility reduced by 85%.

The ratio of the estimated third-year differential to the sum of the first- and second-year differentials transferred was calculated for homesteads abandoned in 2012-2016. These ratios are expressed as percentages, the lowest and highest of which are used in the low and high impact calculations (2.25% and 2.55%). The middle estimate uses the average of those two percentages (2.40%).

To project our estimates into the future, we transformed differential transferred value from roll year to creation year by taking 85% of the value in the first year of eligibility and 15% of the value in the second year of eligibility for value created in 2016-2020. The December 2018 Ad Valorem Revenue Estimating Conference estimates were used for future roll years. For roll years with actual data, the totals were taken from the most recent Ad Valorem Data Book (which includes confidential parcels). For example, the differential created in 2017 is the sum of 85% of the 2018 ported roll value and 15% of the 2019 ported estimate.

The differentials created in 2016 through 2020 are multiplied by the low, middle, and high third-year percentages to calculate the taxable value impact on the 2019-2023 rolls. However, assessment caps continue to affect taxable value until the entire differential is recaptured (if ever) or the property is sold. Starting in 2022 (the year after the bill would go into effect), the roll’s impact was stacked with the prior roll’s impact. It is assumed that there is no decay (sales, recapture) or growth (just value growth faster than recapture) during the forecast period to the prior year’s taxable value impact when stacking.

The fiscal impact was calculated by applying the 2018 statewide effective millage rates for school and non-school levies to the estimated taxable value impact.

**Section 4: Proposed Fiscal Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2019-20	\$ -	\$ (6.9 M)	\$ -	\$ (6.5 M)	\$ -	\$ (6.1 M)
2020-21	\$ -	\$ (6.9 M)	\$ -	\$ (6.5 M)	\$ -	\$ (6.1 M)
2021-22	\$ (2.2 M)	\$ (6.9 M)	\$ (2.1 M)	\$ (6.5 M)	\$ (1.9 M)	\$ (6.1 M)
2022-23	\$ (4.5 M)	\$ (6.9 M)	\$ (4.2 M)	\$ (6.5 M)	\$ (4.0 M)	\$ (6.1 M)
2023-24	\$ (6.9 M)	\$ (6.9 M)	\$ (6.5 M)	\$ (6.5 M)	\$ (6.1 M)	\$ (6.1 M)

**List of affected Trust Funds:** Ad Valorem

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**Tax:** Ad Valorem

**Issue:** SOH Portability Timeframes (Implementing Bill)

**Bill Number(s):** SB 324

**Section 5: Consensus Estimate (Adopted: 01/24/2019):** The impact of the implementing bill to the constitutional amendment is zero/negative indeterminate due to the requirement for a statewide referendum. If the constitutional amendment does not pass, the impact is zero.

If approved, the Conference adopted the middle impact:

	School		Non-School		Total Local/Other	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2019-20	0.0	(2.4)	0.0	(4.1)	0.0	(6.5)
2020-21	0.0	(2.4)	0.0	(4.1)	0.0	(6.5)
2021-22	(0.8)	(2.4)	(1.3)	(4.1)	(2.1)	(6.5)
2022-23	(1.6)	(2.4)	(2.7)	(4.1)	(4.2)	(6.5)
2023-24	(2.4)	(2.4)	(4.1)	(4.1)	(6.5)	(6.5)

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2019-20	0.0	0.0	0.0	0.0	0.0	0/(**)	0.0	0/(**)
2020-21	0.0	0.0	0.0	0.0	0.0	0/(**)	0.0	0/(**)
2021-22	0.0	0.0	0.0	0.0	0/(**)	0/(**)	0/(**)	0/(**)
2022-23	0.0	0.0	0.0	0.0	0/(**)	0/(**)	0/(**)	0/(**)
2023-24	0.0	0.0	0.0	0.0	0/(**)	0/(**)	0/(**)	0/(**)

	A	B	C	D	E	F	G
1	<b>Impact Summary</b>						
2							
3	<b>School Impact</b>						
4		High		Middle		Low	
5	Year	Cash	Recurring	Cash	Recurring	Cash	Recurring
6	2019-20	\$ -	\$ (2.6 M)	\$ -	\$ (2.4 M)	\$ -	\$ (2.3 M)
7	2020-21	\$ -	\$ (2.6 M)	\$ -	\$ (2.4 M)	\$ -	\$ (2.3 M)
8	2021-22	\$ (0.8 M)	\$ (2.6 M)	\$ (0.8 M)	\$ (2.4 M)	\$ (0.7 M)	\$ (2.3 M)
9	2022-23	\$ (1.7 M)	\$ (2.6 M)	\$ (1.6 M)	\$ (2.4 M)	\$ (1.5 M)	\$ (2.3 M)
10	2023-24	\$ (2.6 M)	\$ (2.6 M)	\$ (2.4 M)	\$ (2.4 M)	\$ (2.3 M)	\$ (2.3 M)
11							
12	<b>Non-School Impact</b>						
13		High		Middle		Low	
14	Year	Cash	Recurring	Cash	Recurring	Cash	Recurring
15	2019-20	\$ -	\$ (4.3 M)	\$ -	\$ (4.1 M)	\$ -	\$ (3.8 M)
16	2020-21	\$ -	\$ (4.3 M)	\$ -	\$ (4.1 M)	\$ -	\$ (3.8 M)
17	2021-22	\$ (1.4 M)	\$ (4.3 M)	\$ (1.3 M)	\$ (4.1 M)	\$ (1.2 M)	\$ (3.8 M)
18	2022-23	\$ (2.8 M)	\$ (4.3 M)	\$ (2.7 M)	\$ (4.1 M)	\$ (2.5 M)	\$ (3.8 M)
19	2023-24	\$ (4.3 M)	\$ (4.3 M)	\$ (4.1 M)	\$ (4.1 M)	\$ (3.8 M)	\$ (3.8 M)
20							
21	<b>Total Impact</b>						
22		High		Middle		Low	
23	Year	Cash	Recurring	Cash	Recurring	Cash	Recurring
24	2019-20	\$ -	\$ (6.9 M)	\$ -	\$ (6.5 M)	\$ -	\$ (6.1 M)
25	2020-21	\$ -	\$ (6.9 M)	\$ -	\$ (6.5 M)	\$ -	\$ (6.1 M)
26	2021-22	\$ (2.2 M)	\$ (6.9 M)	\$ (2.1 M)	\$ (6.5 M)	\$ (1.9 M)	\$ (6.1 M)
27	2022-23	\$ (4.5 M)	\$ (6.9 M)	\$ (4.2 M)	\$ (6.5 M)	\$ (4.0 M)	\$ (6.1 M)
28	2023-24	\$ (6.9 M)	\$ (6.9 M)	\$ (6.5 M)	\$ (6.5 M)	\$ (6.1 M)	\$ (6.1 M)

	A	B	C	D	E	F	G	H	I	J	
1	<b>Impact Estimate Calculations</b>										
2											
3	<b>Calculate the projected differential transfer amount during third year of eligibility.</b>										
4	Comparison between First- and Second-Year of Eligibility							Third Year Projection			
5	Year of Abandonment	First Year Differentials	First Year Counts	Second Year Differentials	Second Year Counts	Percent Change in Differential	Percent Change in Parcels	Discount Factor Used	Third Year Differentials	Third Year Counts	
6	2012	\$ 435,554,333	14,974	\$ 89,205,864	2,480	-80%	-83%	-85%	\$ 13,380,880	372	
7	2013	\$ 795,144,364	34,111	\$ 140,863,499	5,645	-82%	-83%	-85%	\$ 21,129,525	847	
8	2014	\$ 1,585,234,919	50,100	\$ 301,399,651	8,881	-81%	-82%	-85%	\$ 45,209,948	1,332	
9	2015	\$ 2,512,605,900	61,318	\$ 443,494,319	10,586	-82%	-83%	-85%	\$ 66,524,148	1,588	
10	2016	\$ 3,105,704,428	65,950	\$ 547,620,041	11,471	-82%	-83%	-85%	\$ 82,143,006	1,721	
11											
12	<b>Calculate the percent of the creation year's transferred amount that is the third year differential estimate.</b>										
13	Third Year Projection			Estimated Third Year Differential as Percent of Amount Transferred by Creation Year							
14	Year of Abandonment	Third Year Differentials	Third Year Counts	Creation Year	Transferred amount by Creation Year	Percent					
15	2012	\$ 13,380,880	372	2012	\$ 524,760,197	2.55%					
16	2013	\$ 21,129,525	847	2013	\$ 936,007,863	2.26%					
17	2014	\$ 45,209,948	1,332	2014	\$ 1,886,634,570	2.40%					
18	2015	\$ 66,524,148	1,588	2015	\$ 2,956,100,219	2.25%					
19	2016	\$ 82,143,006	1,721	2016	\$ 3,653,324,469	2.25%					
20											
21	<b>Convert the values from roll year to creation year and apply the high, middle, and low percentages to calculate taxable value impact on future rolls.</b>										
22						TV Impact on Individual Rolls					
23	Convert Roll Year to Creation Year					2.55%	2.40%	2.25%			
24	Year	Transferred Amount by Roll Year	Differential by Creation Year*	Roll Year Impact	High	Middle	Low				
25	2016		\$ 3,694,118,180	2019	\$ (94,196,456)	\$ (88,628,343)	\$ (83,060,230)				
26	2017	\$ 3,607,302,614	\$ 4,298,112,093	2020	\$ (109,597,719)	\$ (103,119,211)	\$ (96,640,704)				
27	2018	\$ 4,186,073,051	\$ 4,978,450,000	2021	\$ (126,945,680)	\$ (119,441,705)	\$ (111,937,730)				
28	2019	\$ 4,933,000,000	\$ 5,257,900,000	2022	\$ (134,071,386)	\$ (126,146,198)	\$ (118,221,011)				
29	2020	\$ 5,236,000,000	\$ 5,413,800,000	2023	\$ (138,046,686)	\$ (129,886,512)	\$ (121,726,337)				
30	2021	\$ 5,382,000,000									
31	2022	\$ 5,594,000,000									
32	* Differential by Creation Year contains 85% of the next roll's port value (1st year of eligibility) and 15% of the roll value after that (2nd year of eligibility).										
33											

	A	B	C	D	E	F	G	H	I	J
1	<b>Impact Estimate Calculations</b>									
34	<b>Stack the taxable value impact of post-2021 rolls to account for the continuing assessment differential.</b>									
35	Stacked TV Impact (prior year adjusted by change rate)									
36		Differential Change Rate		Roll Year Impact	High	Middle	Low			
37		0.00%		2019	\$ (94,196,456)	\$ (88,628,343)	\$ (83,060,230)			
38				2020	\$ (109,597,719)	\$ (103,119,211)	\$ (96,640,704)			
39				2021	\$ (126,945,680)	\$ (119,441,705)	\$ (111,937,730)			
40				2022	\$ (261,017,066)	\$ (245,587,904)	\$ (230,158,741)			
41				2023	\$ (399,063,752)	\$ (375,474,415)	\$ (351,885,079)			
42										
43	<b>Use the 2018 statewide effective millage rates to calculate the impact on ad valorem levies.</b>									
44	School Tax Impact									
45		2018 Statewide School Millage		Fiscal Year Impact	High	Middle	Low			
46		6.4596		2019-20	\$ (608,474)	\$ (572,507)	\$ (536,539)			
47				2020-21	\$ (707,961)	\$ (666,112)	\$ (624,263)			
48				2021-22	\$ (820,022)	\$ (771,550)	\$ (723,077)			
49				2022-23	\$ (1,686,074)	\$ (1,586,408)	\$ (1,486,741)			
50				2023-24	\$ (2,577,805)	\$ (2,425,427)	\$ (2,273,048)			
51										
52										
53	Non-School Tax Impact									
54		2018 Statewide Non-School Millage		Fiscal Year Impact	High	Middle	Low			
55		10.8122		2019-20	\$ (1,018,469)	\$ (958,266)	\$ (898,062)			
56				2020-21	\$ (1,184,991)	\$ (1,114,944)	\$ (1,044,897)			
57				2021-22	\$ (1,372,560)	\$ (1,291,426)	\$ (1,210,291)			
58				2022-23	\$ (2,822,165)	\$ (2,655,342)	\$ (2,488,519)			
59				2023-24	\$ (4,314,751)	\$ (4,059,698)	\$ (3,804,646)			
60										
61										
62	Total Tax Impact									
63		2018 Statewide Total Millage		Fiscal Year Impact	High	Middle	Low			
64		17.2718		2019-20	\$ (1,626,944)	\$ (1,530,772)	\$ (1,434,601)			
65				2020-21	\$ (1,892,952)	\$ (1,781,056)	\$ (1,669,160)			
66				2021-22	\$ (2,192,582)	\$ (2,062,975)	\$ (1,933,368)			
67				2022-23	\$ (4,508,239)	\$ (4,241,749)	\$ (3,975,260)			
68				2023-24	\$ (6,892,556)	\$ (6,485,125)	\$ (6,077,694)			

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**Bill Number(s):** SJR 326

**Entire Bill**

**Partial Bill:**

**Sponsor(s):** Sen. Brandes

**Month/Year Impact Begins:** January 1, 2021

**Date of Analysis:** January 24, 2019

### Section 1: Narrative

#### a. Current Law:

Article VII, Section 4 of the Constitution states, in relevant part, “(d) All persons entitled to a homestead exemption under Section 6 of this Article shall have their homestead assessed at just value as of January 1 of the year following the effective date of this amendment. This assessment shall change only as provided in this subsection. [...]

“(8)a. A person who establishes a new homestead as of January 1, 2009, or January 1 of any subsequent year and who has received a homestead exemption pursuant to Section 6 of this Article as of January 1 of either of the two years immediately preceding the establishment of the new homestead is entitled to have the new homestead assessed at less than just value. If this revision is approved in January of 2008, a person who establishes a new homestead as of January 1, 2008, is entitled to have the new homestead assessed at less than just value only if that person received a homestead exemption on January 1, 2007. The assessed value of the newly established homestead shall be determined as follows: ...” and then describes how to calculate the value in different circumstances.

Section 4(d)(8)b. states “By general law and subject to conditions specified therein, the legislature shall provide for application of this paragraph to property owned by more than one person.”

#### b. Proposed Change:

This resolution proposes an amendment that would remove references to years no longer relevant and increases the period between homesteads from two years to three years. Section (8)a. is revised to begin “(8)a. A person who establishes a new homestead as of January 1 and who has received a homestead exemption pursuant to Section 6 of this Article as of January 1 of any of the three years immediately preceding the establishment of the new homestead is entitled to have the new homestead assessed at less than just value. The assessed value of the newly established homestead shall be determined as follows: ...”

Article XII is amended to include “Transfer of the accrued benefit from specified limitations on homestead property tax assessments; increased portability period.—This section and the amendment to Section 4 of Article VII, which extends to three years the time period during which the accrued benefit from specified limitations on homestead property tax assessments may be transferred from a prior homestead to a new homestead, shall take effect January 1, 2021.”

The ballot measure to amend the constitution will state “LIMITATIONS ON HOMESTEAD PROPERTY TAX ASSESSMENTS; INCREASED PORTABILITY PERIOD TO TRANSFER ACCRUED BENEFIT.— Proposing an amendment to the State Constitution, effective January 1, 2021, to increase, from 2 years to 3 years, the period of time during which accrued Save-Our-Homes benefits may be transferred from a prior homestead to a new homestead.”

### Section 2: Description of Data and Sources

Ad Valorem Revenue Estimating Conference, Save-Our-Homes (SOH) Transfer Value, December 2018

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Communication with Property Appraiser’s Offices

### Section 3: Methodology (Include Assumptions and Attach Details)

The methodology description is identical to the one in the impact analysis for SB 324. However, the proposed fiscal impact is contingent on the passage of a constitutional amendment and an implementing bill and is presented as zero/negative indeterminate.

The real property assessment rolls include six fields containing homestead portability information. The relevant fields are a flag for any parcel whose owner(s) transferred homestead benefits and are establishing a new homestead on that roll, the assessment differential transferred, and the Year Value Transferred, which must be either of the previous two years. The Year Value Transferred field refers to the last year the owner had a homestead classification on the previous home (typically the sale year).

Parcels flagged in the Assessment Differential Transfer Flag field were extracted from the statewide 2013-2018 rolls. In 2018, there were 22 counties whose rolls include portability information for homeowners establishing new homesteads where

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**Bill Number(s):** SJR 326

the assessment differential transferred was \$0. As these records artificially inflate the parcel count, these cases were not included in the analysis.

For each roll year, the transfers were aggregated by county and Year Value Transferred. On the 2018 roll, for example, all transfers where the previous homestead was abandoned in 2017 were aggregated separately from all instances where the previous homestead was abandoned in 2016. Cases where the Year Value Transferred was incorrectly entered into the system (typographical errors, etc.) were excluded, leaving two prior years for each roll. Because the 2013-2018 rolls were analyzed, the relationship between the first and second years of eligibility can be examined for homesteads abandoned from 2012 to 2016. (Only the second year of eligibility for 2011 sales was on the 2013 roll, and the second year of eligibility for 2017 sales will be 2019.)

Using the statewide aggregates, the percent change in differential transferred (and parcel counts) from the first year of eligibility to the second year was calculated for each abandonment year. These were all steep drops ranging from -80% to -83%. Following the conference’s preference for similar bills during the 2018 session, a drop of -85% was assumed to calculate the third-year estimate. Thus, the differential transferred during a possible third year of eligibility equals the differential transferred during the second year of eligibility reduced by 85%.

The ratio of the estimated third-year differential to the sum of the first- and second-year differentials transferred was calculated for homesteads abandoned in 2012-2016. These ratios are expressed as percentages, the lowest and highest of which are used in the low and high impact calculations (2.25% and 2.55%). The middle estimate uses the average of those two percentages (2.40%).

To project our estimates into the future, we transformed differential transferred value from roll year to creation year by taking 85% of the value in the first year of eligibility and 15% of the value in the second year of eligibility for value created in 2016-2020. The December 2018 Ad Valorem Revenue Estimating Conference estimates were used for future roll years. For roll years with actual data, the totals were taken from the most recent Ad Valorem Data Book (which includes confidential parcels). For example, the differential created in 2017 is the sum of 85% of the 2018 ported roll value and 15% of the 2019 ported estimate.

The differentials created in 2016 through 2020 are multiplied by the low, middle, and high third-year percentages to calculate the taxable value impact on the 2019-2023 rolls. However, assessment caps continue to affect taxable value until the entire differential is recaptured (if ever) or the property is sold. Starting in 2022 (the year after the bill would go into effect), the roll’s impact was stacked with the prior roll’s impact. It is assumed that there is no decay (sales, recapture) or growth (just value growth faster than recapture) during the forecast period to the prior year’s taxable value impact when stacking.

The proposed impact is zero/negative indeterminate as any fiscal impact is contingent on the ballot measure being approved in the next general election and the adoption of an implementing bill.

**Section 4: Proposed Fiscal Impact**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2019-20		(0/**)		(0/**)		(0/**)
2020-21		(0/**)		(0/**)		(0/**)
2021-22	(0/**)	(0/**)	(0/**)	(0/**)	(0/**)	(0/**)
2022-23	(0/**)	(0/**)	(0/**)	(0/**)	(0/**)	(0/**)
2023-24	(0/**)	(0/**)	(0/**)	(0/**)	(0/**)	(0/**)

**List of affected Trust Funds:** Ad Valorem

**Section 5: Consensus Estimate (Adopted: 01/24/2019):** The Conference adopted a zero / negative indeterminate impact since this is a joint resolution proposing an amendment to be submitted to the voters. If the constitutional amendment does not pass, the impact is zero.



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If approved, the Conference adopted the middle impact:

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2021-22	(0.8)	(2.4)	(1.3)	(4.1)	(2.1)	(6.5)
2022-23	(1.6)	(2.4)	(2.7)	(4.1)	(4.2)	(6.5)
2023-24	(2.4)	(2.4)	(4.1)	(4.1)	(6.5)	(6.5)

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2019-20	0.0	0.0	0.0	0.0	0.0	0/(**)	0.0	0/(**)
2020-21	0.0	0.0	0.0	0.0	0.0	0/(**)	0.0	0/(**)
2021-22	0.0	0.0	0.0	0.0	0/(**)	0/(**)	0/(**)	0/(**)
2022-23	0.0	0.0	0.0	0.0	0/(**)	0/(**)	0/(**)	0/(**)
2023-24	0.0	0.0	0.0	0.0	0/(**)	0/(**)	0/(**)	0/(**)

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Highway Safety Fees

**Issue:** Red Light Camera Repeal – Effective 2022

**Bill Number(s):** HB 6003

**Entire Bill**

**Partial Bill:**

**Sponsor(s):** Sabatini

**Month/Year Impact Begins:** 07/01/2019

**Date of Analysis:** 01/24/2019

**Section 1: Narrative**

- a. Current Law:** Subsection (8) of section 316.008, section 316.0083, and section 316.00831, F.S., provides for the administration of the Mark Wandall Traffic Safety Program (installation and use of traffic detector devices; authorization of the Department of Highway Safety and Motor Vehicles, counties or municipalities to use detectors; and the distribution of penalties). Section 321.50, F.S. provides the authorization to use traffic infraction detectors. Subsections (91) and (36) of section 316.003, F.S., defines “traffic infraction detector” and “local hearing officer.” Section 316.07456, F.S., provides for transitional implementation of detectors. Subsection (3) of section 318.15, F.S. relates to failure to comply with a civil penalty. Section 316.0776, F.S., provides for the installation of traffic infraction detectors. Subsection (5) section 28.37; subsection (58) of 316.003; paragraph (b) of subsection (1) and paragraph (a) of subsection (5) of section 316.640; paragraphs (a) and (c) of subsection (3) of section 316.50; section 318.121; subsection (2) of section 318.14; subsections (15) and (22) of section 318.18; subsection (8) of section 320.03; paragraph (d) of subsection (3) of section 322.27; and subsection (1) of section 655.960, F.S. provides the distribution of proceeds, enforcement by traffic infraction enforcement officers, procedures for disposition of citations, preemption of additional fees or surcharges, compliance, and penalties.
- b. Proposed Change:** Effective July 1, 2022, HB 6003 would repeal provisions in the above mentioned statues relating to installation and use of traffic infraction detectors to enforce specified provisions when drivers fail to stop at a traffic signal, provisions that authorize DHSMV, county, or municipalities to use detectors, and provisions for distribution of penalties collected for specific violations.

**Section 2: Description of Data and Sources**

November 30, 2018 HSMV REC revenue and transactions forecast through FY 2023-24  
 Distribution Schedule of Court-Related Filing Fees, Service Charges, Costs, and Fines effective July 2018  
 Telephone and email contact with RLC vendor  
 Red Light Camera by Jurisdiction per the Florida Department of Revenue

**Section 3: Methodology (Include Assumptions and Attach Details)**

The repeal of these provisions results in a loss of direct RLC revenue and the subsequent UTC revenue. The loss of the direct RLC revenue to General Revenue and other state trust funds is based on the most recent HSMV REC RLC forecast. The REC forecast is used to estimate the loss of these direct RLC revenue to local governments (based on their portion of the \$158 fine). The loss of the UTC revenue is also derived from the same forecast by applying the fees from the Clerks’ Distribution Schedule to the number of forecasted transactions remitted by the Clerks of Court. There is also an assumed program reduction prior to the law’s effective date due to local governments deciding not to renew their programs in response to the law change. Local government’s renewal dates for FY 2019-20 through FY 2021-22 was obtained from a RLC vendor. This data and the state portion of RLC fines remitted to the Department of Revenue from local governments by jurisdiction was used to calculate a 7.2% possible reduction for FY 2019-20, a 28.8% possible reduction for FY 2020-21, and a 42.9% possible reduction for FY 2021-22. The middle scenario assumes an annual quarter reduction in the local governments up for renewal who decide not to renew their RLC program. The FY 2022-23 cash amounts are adjusted for four months due to the program reductions noted above and observed delay in receipt elimination from past program reductions.

**Section 4: Proposed Fiscal Impact**

GR	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2019-20			(1.1)	(63.2)		
2020-21			(4.6)	(64.0)		
2021-22			(7.0)	(64.8)		
2022-23			(53.1)	(65.6)		
2023-24			(66.4)	(66.4)		

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Highway Safety Fees

**Issue:** Red Light Camera Repeal – Effective 2022

**Bill Number(s):** HB 6003

Trust	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2019-20			(0.2)	(13.5)		
2020-21			(1.0)	(13.7)		
2021-22			(1.5)	(13.9)		
2022-23			(11.4)	(14.1)		
2023-24			(14.2)	(14.2)		

Local	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2019-20			(1.4)	(75.3)		
2020-21			(5.5)	(76.3)		
2021-22			(8.3)	(77.2)		
2022-23			(63.2)	(78.1)		
2023-24			(79.0)	(79.0)		

**List of affected Trust Funds:**

- General Revenue Fund
- Department of Health Emergency Medical Services Trust Fund
- Brain & Spinal Cord Injury Trust Fund
- State Courts Revenue Trust Fund
- State Attorneys Revenue Trust Fund
- Public Defenders Revenue Trust Fund
- State Radio Systems Trust Fund
- Local Trust Funds

**Section 5: Consensus Estimate (Adopted: 01/24/2019):** The Conference adopted the proposed estimate, assuming that every issued ticket will be enforced.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2019-20	(1.1)	(64.3)	(0.2)	(12.4)	(1.4)	(75.3)	(2.7)	(152.0)
2020-21	(4.7)	(65.1)	(0.9)	(12.6)	(5.5)	(76.3)	(11.1)	(154.0)
2021-22	(7.1)	(65.9)	(1.4)	(12.8)	(8.3)	(77.2)	(16.8)	(155.9)
2022-23	(54.0)	(66.7)	(10.5)	(13.0)	(63.2)	(78.1)	(127.7)	(157.8)
2023-24	(67.5)	(67.5)	(13.1)	(13.1)	(79.0)	(79.0)	(159.6)	(159.6)

## Current Law

### RLC Revenue (11/30/2018 HSMV REC)

	2019-20	2020-21	2021-22	2022-23	2023-24
Remitted by Local Gov. to DOR	60.3	61.1	61.8	62.6	63.3
Remitted by Clerks of Court to DOR (LEO)	11.7	11.9	12.0	12.2	12.3
Total	72.1	73.0	73.9	74.8	75.6
RLC Transactions					
Remitted by Local Gov. to DOR	721,916	731,102	740,145	749,017	757,664
Remitted by Clerks of Court to DOR (LEO)	140,422	142,247	144,058	145,840	147,588
Total	862,338	873,349	884,203	894,856	905,252
GR	60.8	61.6	62.3	63.1	63.8
TRUST	11.3	11.4	11.6	11.7	11.9
LOCAL	65.1	66.0	66.8	67.6	68.3
Subtotal	137.2	138.9	140.7	142.3	144.0

### UTC Add-on

GR	2.5	2.5	2.5	2.6	2.6
TRUST	2.2	2.3	2.3	2.3	2.4
LOCAL	10.2	10.3	10.4	10.6	10.7
Subtotal	14.9	15.1	15.3	15.5	15.6

### RLC and UTC Total

GR	63.2	64.0	64.8	65.6	66.4
TRUST	13.5	13.7	13.9	14.1	14.2
LOCAL	75.3	76.3	77.2	78.1	79.0
Subtotal	152.1	154.0	155.9	157.8	159.6

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Highway Safety Fees  
**Issue:** Red Light Camera Repeal  
**Bill Number(s):** SB 306

**Entire Bill**

**Partial Bill:**

**Sponsor(s):** Brandes

**Month/Year Impact Begins:** 07/01/2019

**Date of Analysis:** 01/24/2019

**Section 1: Narrative**

- a. Current Law:** Subsections (91) and (36) of section 316.003, F.S., defines “traffic infraction detector” and “local hearing officer”. Subsection (8) of section 316.008, section 316.0083, and section 316.00831, F.S., provides for the administration of the Mark Wandall Traffic Safety Program (installation and use of traffic detector devices; authorization of the Department of Highway Safety and Motor Vehicles, counties or municipalities to use detectors; and the distribution of penalties). Section 316.07456, F.S., provides for transitional implementation of detectors. Section 316.0776, F.S., provides for the installation of traffic infraction detectors. Subsection (3) of section 318.15, F.S. relates to failure to comply with a civil penalty. Section 321.50, F.S. provides the authorization to use traffic infraction detectors. Subsection (5) section 28.37; paragraph (b) of subsection (1) and paragraph (a) of subsection (5) of section 316.640; paragraphs (a) and (c) of subsection (3) of section 316.50; section 318.121; subsection (2) of section 318.14; subsections (15) and (22) of section 318.18; subsection (8) of section 320.03; and paragraph (d) of subsection (3) of section 322.27, F.S. provides the distribution of proceeds, enforcement by traffic infraction enforcement officers, procedures for disposition of citations, preemption of additional fees or surcharges, compliance, and penalties
- b. Proposed Change:** Effective July 1, 2019, SB 306 would repeal provisions in the above mentioned statues relating to installation and use of traffic infraction detectors to enforce specified provisions when drivers fail to stop at a traffic signal, provisions that authorize DHSMV, county, or municipalities to use detectors, and provisions for distribution of penalties collected for specific violations.

**Section 2: Description of Data and Sources**

November 30, 2018 HSMV REC revenue and transactions forecast through FY 2023-24  
 Distribution Schedule of Court-Related Filing Fees, Service Charges, Costs, and Fines effective July 2018  
 Telephone and email contact with RLC vendor

**Section 3: Methodology (Include Assumptions and Attach Details)**

The repeal of these provisions results in a loss of direct RLC revenue and the subsequent UTC revenue. The loss of the direct RLC revenue to General Revenue and other state trust funds is based on the most recent HSMV REC RLC forecast. The REC forecast is used to estimate the loss of these direct RLC revenue to local governments (based on their portion of the \$158 fine). The loss of the UTC revenue is also derived from the same forecast by applying the fees from the Clerks’ Distribution Schedule to the number of forecasted transactions remitted by the Clerks of Court. The FY 2019-20 cash amounts are adjusted for four months due to the observed delay in receipt elimination from past program reductions.

**Section 4: Proposed Fiscal Impact**

GR	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2019-20			(42.1)	(63.2)		
2020-21			(64.0)	(64.0)		
2021-22			(64.8)	(64.8)		
2022-23			(65.6)	(65.6)		
2023-24			(66.4)	(66.4)		

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Highway Safety Fees

**Issue:** Red Light Camera Repeal

**Bill Number(s):** SB 306

Trust	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2019-20			(9.0)	(13.5)		
2020-21			(13.7)	(13.7)		
2021-22			(13.9)	(13.9)		
2022-23			(14.1)	(14.1)		
2023-24			(14.2)	(14.2)		

Local	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2019-20			(50.2)	(75.3)		
2020-21			(76.3)	(76.3)		
2021-22			(77.2)	(77.2)		
2022-23			(78.1)	(78.1)		
2023-24			(79.0)	(79.0)		

**List of affected Trust Funds:**

- General Revenue Fund
- Department of Health Emergency Medical Services Trust Fund
- Brain & Spinal Cord Injury Trust Fund
- State Courts Revenue Trust Fund
- State Attorneys Revenue Trust Fund
- Public Defenders Revenue Trust Fund
- State Radio Systems Trust Fund
- Local Trust Funds

**Section 5: Consensus Estimate (Adopted: 01/24/2019):** The Conference adopted the proposed estimate, assuming that every issued ticket will be enforced.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2019-20	(42.8)	(64.3)	(8.3)	(12.4)	(50.2)	(75.3)	(101.3)	(152.0)
2020-21	(65.1)	(65.1)	(12.6)	(12.6)	(76.3)	(76.3)	(154.0)	(154.0)
2021-22	(65.9)	(65.9)	(12.8)	(12.8)	(77.2)	(77.2)	(155.9)	(155.9)
2022-23	(66.7)	(66.7)	(13.0)	(13.0)	(78.1)	(78.1)	(157.8)	(157.8)
2023-24	(67.5)	(67.5)	(13.1)	(13.1)	(79.0)	(79.0)	(159.6)	(159.6)

## Current Law

### RLC Revenue (11/30/2018 HSMV REC)

	2019-20	2020-21	2021-22	2022-23	2023-24
Remitted by Local Gov. to DOR	60.3	61.1	61.8	62.6	63.3
Remitted by Clerks of Court to DOR (LEO)	11.7	11.9	12.0	12.2	12.3
Total	72.1	73.0	73.9	74.8	75.6
RLC Transactions					
Remitted by Local Gov. to DOR	721,916	731,102	740,145	749,017	757,664
Remitted by Clerks of Court to DOR (LEO)	140,422	142,247	144,058	145,840	147,588
Total	862,338	873,349	884,203	894,856	905,252
GR	60.8	61.6	62.3	63.1	63.8
TRUST	11.3	11.4	11.6	11.7	11.9
LOCAL	65.1	66.0	66.8	67.6	68.3
Subtotal	137.2	138.9	140.7	142.3	144.0

### UTC Add-on

GR	2.5	2.5	2.5	2.6	2.6
TRUST	2.2	2.3	2.3	2.3	2.4
LOCAL	10.2	10.3	10.4	10.6	10.7
Subtotal	14.9	15.1	15.3	15.5	15.6

### RLC and UTC Total

GR	63.2	64.0	64.8	65.6	66.4
TRUST	13.5	13.7	13.9	14.1	14.2
LOCAL	75.3	76.3	77.2	78.1	79.0
Subtotal	152.1	154.0	155.9	157.8	159.6

## REVENUE ESTIMATING CONFERENCE

**Tax:** Local Taxes and Fees

**Issue:** Requires an impact fee adopted by ordinance of a county or municipal government or by resolution of a special district to specify that the collection of impact fees may not be required to occur earlier than the date of issuance of the building permit for the property that is subject to the fee.

**Bill Number(s):** SB 144 / HB 207 (The House bill is similar, but not identical to the Senate bill.)

**Entire Bill**

**Partial Bill:**

**Sponsor(s):** Senator Bean / Representative Donalds

**Month/Year Impact Begins:** July 1, 2019

**Date of Analysis:** January 24, 2019

### Section 1: Narrative

a. **Current Law:** The Florida Constitution grants local governments broad home rule authority. Specifically, non-charter county governments may exercise those powers of self-government that are provided by general or special law. Those counties operating under a county charter have all powers of self-government not inconsistent with general law or special law approved by the vote of the electors. Likewise, municipalities have those governmental, corporate, and proprietary powers that enable them to conduct municipal government, perform their functions and provide services, and exercise any power for municipal purposes, except as otherwise provided by law.

Given these constitutional and statutory powers, local governments may use a variety of revenue sources to fund services and improvements without express statutory authorization. Impact fees, special assessments, franchise fees, and user fees or service charges are examples of these home rule revenue sources.

Impact fees are enacted by local ordinance. These fees are tailored to pay the cost of additional infrastructure necessitated by new development. As a result, impact fee calculations vary from jurisdiction to jurisdiction and from fee to fee. Impact fees also vary extensively depending on local costs, capacity needs, resources, and the local government's determination to charge the full cost or only part of the cost of the infrastructure improvement through utilization of the impact fee.

Impact fees have their roots in the common law. A number of court decisions have addressed challenges to the legality of impact fees. As developed under case law, an impact fee must have the following characteristics to be legal:<sup>1</sup>

- The fee is levied on new development, the expansion of existing development, or a change in land use that requires additional capacity for public facilities;
- The fee represents a proportionate share of the cost of public facilities needed to serve new development;
- The fee is earmarked and expended for the benefit of those in the new development who have paid the fee;
- The fee is a one-time charge, although collection may be spread over a period of time;
- The fee is earmarked for capital outlay only and is not expended for operating costs; and
- The fee-payers receive credit for the contributions toward the cost of the increased capacity for public facilities

Current law does not specify when a local government must collect impact fees. As a result, the applicable local government makes this decision, and the time of collection varies and may differ, depending on the type of impact fee.

Section 163.31801, F.S., is known as the "Florida Impact Fee Act" and states that an impact fee adopted by ordinance of a county or municipality or by resolution of a special district must, at minimum:

- Require that the calculation of the impact fee be based on the most recent and localized data.
- Provide for accounting and reporting of impact fee collections and expenditures. If a local governmental entity imposes an impact fee to address its infrastructure needs, the entity shall account for the revenues and expenditures of such impact fee in a separate accounting fund.
- Limit administrative charges for the collection of impact fees to actual costs.
- Require that notice be provided no less than 90 days before the effective date of an ordinance or resolution imposing a new or increased impact fee. A county or municipality is not required to wait 90 days to decrease, suspend, or eliminate an impact fee.

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<sup>1</sup> The Florida Senate, Issue Brief 2010-310, 4 (Sept. 2009), available at [http://archive.flsenate.gov/data/Publications/2010/Senate/reports/interim\\_reports/pdf/2010-310ca.pdf](http://archive.flsenate.gov/data/Publications/2010/Senate/reports/interim_reports/pdf/2010-310ca.pdf)



**REVENUE ESTIMATING CONFERENCE**

**Tax:** Local Taxes and Fees

**Issue:** Requires an impact fee adopted by ordinance of a county or municipal government or by resolution of a special district to specify that the collection of impact fees may not be required to occur earlier than the date of issuance of the building permit for the property that is subject to the fee.

**Bill Number(s):** SB 144 / HB 207 (The House bill is similar, but not identical to the Senate bill.)

- b. Proposed Change:** Although the drafting styles differ, the bills amend s. 163.31801, F.S., to specify that an impact fee adopted by ordinance of a county or municipal government or by resolution of a special district may not require payment of impact fees before the date of issuance of the building permit for the property that is subject to the fee.

The bills require that an impact fee be reasonably connected to, or have a rational nexus with, the need for additional capital facilities and the increased impact generated by the new residential or commercial construction as well as the expenditures of the revenues generated and the benefits accruing to the new residential or commercial construction. Also, the local government must specifically earmark revenues generated by the impact fees to acquire, construct, or improve capital facilities to benefit new users. Additionally, the bills prohibit the use of impact fee revenues to pay existing debt or for previously approved projects unless the expenditure is reasonably connected to, or has a rational nexus with, the increased impact generated by the new residential or commercial construction. Furthermore, both bills also specify that the provisions of s. 163.31801, F.S., do not apply to water and sewer connection fees.

HB 207 includes a provision that specifies that a challenger who prevails in an action challenging an impact fee under s. 163.31801, F.S., may recover attorney fees. SB 144 does not include this provision.

**Section 2: Description of Data and Sources**

***Impact Fee Revenue Collections Reported in Local Governments' Annual Financial Reports (AFRs)***

Fiscal Year	Counties	Municipalities	Special Districts	Totals
2002-03	\$479,479,595	\$183,843,818	\$21,711,285	\$685,034,698
2003-04	\$560,496,789	\$232,910,041	\$20,337,344	\$813,744,174
2004-05	\$812,732,909	\$308,009,057	\$31,681,665	\$1,152,423,631
2005-06	\$1,060,597,975	\$342,267,200	\$25,405,434	\$1,428,270,609
2006-07	\$736,339,197	\$312,321,512	\$23,433,726	\$1,072,094,435
2007-08	\$484,141,722	\$222,508,702	\$20,311,517	\$726,961,941
2008-09	\$206,819,386	\$139,307,822	\$8,552,553	\$354,679,761
2009-10	\$212,423,990	\$123,304,422	\$7,420,750	\$343,149,162
2010-11	\$185,664,703	\$107,753,843	\$8,213,352	\$301,631,898
2011-12	\$246,882,772	\$113,956,207	\$8,773,028	\$369,612,007
2012-13	\$305,043,650	\$146,917,768	\$11,288,627	\$463,250,045
2013-14	\$422,384,294	\$167,987,620	\$16,218,908	\$606,590,822
2014-15	\$503,921,835	\$225,734,604	\$17,357,595	\$747,014,034
2015-16	\$557,292,553	\$279,285,751	\$21,012,502	\$857,590,806
2016-17 (preliminary)	\$629,120,806	\$279,765,125	\$21,367,807	\$930,253,738

Note: The local FY 2016-17 data are still preliminary because not all local government AFRs have been submitted or processed; however, 35 counties, 194 municipalities, and 51 special districts reported impact fee revenues.

**Section 3: Methodology (Include Assumptions and Attach Details)**

Enactment of this proposed legislation could result in the delay of a local government's ability to collect impact fees, if such fees are required to be paid before the date of issuance of the building permit for the property that is subject to the fee. Please see accompanying spreadsheet for explanation of methodology and estimated fiscal impacts.

**REVENUE ESTIMATING CONFERENCE**

**Tax:** Local Taxes and Fees

**Issue:** Requires an impact fee adopted by ordinance of a county or municipal government or by resolution of a special district to specify that the collection of impact fees may not be required to occur earlier than the date of issuance of the building permit for the property that is subject to the fee.

**Bill Number(s):** SB 144 / HB 207 (The House bill is similar, but not identical to the Senate bill.)

**Section 4: Proposed Fiscal Impact (Millions \$)**

	High		Middle		Low	
	Cash	Recurring	Cash	Recurring	Cash	Recurring
2019-20	(\$15.5)	(\$15.5)	(\$11.7)	(\$11.7)	(\$7.9)	(\$7.9)
2020-21	(\$17.9)	(\$17.9)	(\$13.5)	(\$13.5)	(\$9.1)	(\$9.1)
2021-22	(\$20.6)	(\$20.6)	(\$15.5)	(\$15.5)	(\$10.5)	(\$10.5)
2022-23	(\$23.7)	(\$23.7)	(\$17.9)	(\$17.9)	(\$12.1)	(\$12.1)
2023-24	(\$27.4)	(\$27.4)	(\$20.7)	(\$20.7)	(\$13.9)	(\$13.9)

**List of Affected Trust Funds:**

Local funds only.

**Section 5: Consensus Estimate (Adopted: 01/24/2019):** The Conference adopted a negative indeterminate impact for the first year’s cash impact and plus/minus indeterminate as the cash impact for all other years and for all recurring years. The plus/minus indeterminate estimate reflects the uncertainty of the magnitude of the net impact resulting from incoming prior year impacts and outgoing current year impacts.

	GR		Trust		Local/Other		Total	
	Cash	Recurring	Cash	Recurring	Cash	Recurring	Cash	Recurring
2019-20	0.0	0.0	0.0	0.0	(**)	+/-	(**)	+/-
2020-21	0.0	0.0	0.0	0.0	+/-	+/-	+/-	+/-
2021-22	0.0	0.0	0.0	0.0	+/-	+/-	+/-	+/-
2022-23	0.0	0.0	0.0	0.0	+/-	+/-	+/-	+/-
2023-24	0.0	0.0	0.0	0.0	+/-	+/-	+/-	+/-

	A	B	C	D	E	F	G	H	I	J	K	L
1	<b>Fiscal Impact Analysis of SB144 &amp; HB207 - Impact Fees</b>											
2	<b>Issue: Payment of Impact Fee May Be No Earlier Than the Date of Issuance of the Building Permit for the Property Subject to the Fee</b>											
3												
4	<b>I. EDR Survey of County and Municipal Governments Having Reported FY 2016-17 Impact Fee Revenues Greater Than \$1 Million</b>											
5	<b>County</b>		<b>2018 Population Estimate</b>	<b>Reported FY 2016-17 Revenue</b>	<b>Fiscal Impact in FY 2019-20</b>	<b>Comment</b>						
6	Alachua		263,291	\$ 1,392,824	No Impact	Impact fees collected immediately before issuing a Certificate of Occupancy.						
7	Bay		181,199	\$ 1,687,366	No Impact	The county currently collects impact fees at the building permit issuance.						
8	Brevard		583,563	\$ 14,923,564	No Impact							
9	Broward		1,897,976	\$ 10,040,000	\$ (6,533,333)	Assumption: Two month delay in collecting impact fees.						
10	Charlotte		177,987	\$ 3,654,306	No Impact	Impact fees are not collected until final inspections, which are prior to issuance of a Certificate of Occupancy.						
11	Collier		367,347	\$ 35,099,713	Yes	Fire impact fees are paid prior to issuance of the building permit.						
12	Hernando		185,604	\$ 2,733,272	\$ (1,040,151)	Assumption: Two month delay in collecting impact fees.						
13	Hillsborough		1,408,864	\$ 37,184,406	No Impact							
14	Indian River		151,825	\$ 5,703,909	Yes	Impact fees are paid prior to issuance of a building permit, mobile home set-up permit, or initial concurrency certificate.						
15	Lake		342,917	\$ 5,729,372	No Impact	Current practice is to collect impact fees at the issuance of the building permit.						
16	Lee		713,903	\$ 6,361,666	Yes	Impact fees are paid prior to issuance of a building permit.						
17	Manatee		377,826	\$ 24,116,000	No Impact	Impact fees are currently collected prior to issuance of a Certificate of Occupancy.						
18	Marion		353,898	\$ 1,232,777	No Impact	Impact fees are not required to be paid until the final electrical inspection.						
19	Martin		155,556	\$ 1,640,301	Yes	In general, a residential developer will pay mandatory impact fees at the time of the development approval.						
20	Miami-Dade		2,779,322	\$ 110,556,738	Yes	Impact fees are required to be paid prior to the issuance of any building permit for development activity.						
21	Nassau		82,748	\$ 2,626,944	Yes	Impact fees are required to be paid prior to the issuance of any building permit.						
22	Orange		1,349,597	\$ 192,093,197	No Impact	Impact fees are generally charged at the issuance of a project's building permit.						
23	Osceola		352,496	\$ 11,865,809	Yes	Mobility, fire, and school impact fees are paid prior to building permit issuance. Waiting on additional feedback.						
24	Palm Beach		1,433,417	\$ 44,904,704	No Impact	Our ordinance currently requires payment of impact fees no later than building permit issuance.						
25	Pasco		515,077	\$ 35,701,403	No Impact	Impact fees collected immediately before issuing a Certificate of Occupancy.						
26	Pinellas		970,532	\$ 1,939,914	No Impact	Payment of impact fees is not required prior to issuance of Certificate of Occupancy.						
27	Polk		673,028	\$ 8,172,671	No Impact	Impact fees must be paid prior to issuance of a Certificate of Occupancy.						
28	Sarasota		417,442	\$ 34,276,195	No Impact	It appears impact fees are due at the issuance of the Certificate of Occupancy.						
29	Seminole		463,560	\$ 4,553,334	No Impact	Impact fee collections occur after the issuance of a building permit.						
30	St. Johns		238,742	\$ 12,362,813								
31	St. Lucie		302,432	\$ 8,087,079								
32	Sumter		124,935	\$ 3,347,638	No Impact	Impact fee ordinance specifies that payment is due upon issuance of the building permit.						
33	Volusia		531,062	\$ 5,549,309	No Impact	Impact fees are due before the issuance of a Certificate of Occupancy (CO) or Business Tax Receipt (BTR).						
34	<b>Total Survey</b>		<b>17,396,146</b>	<b>\$ 627,537,224</b>	<b>\$ (7,573,484)</b>							
35	<b>Statewide County</b>			<b>\$ 629,120,806</b>								
36	<b>Survey % of Statewide</b>			<b>99.7%</b>								
37												
38	<b>Population of County Responders</b>		<b>9,280,646</b>									
39	<b>Population of County Non-Responders</b>		<b>8,115,500</b>									
40												
41	<b>Estimated Fiscal Impact of County Non-Responders</b>				<b>\$ (6,622,665)</b>	<b>Methodology: Applied county responders' fiscal impact / population ratio to county non-responders.</b>						
42												
43												
44	<b>Municipality</b>	<b>Respective County</b>	<b>2018 Population Estimate</b>	<b>Reported FY 2016-17 Revenue</b>	<b>Fiscal Impact in FY 2019-20</b>	<b>Comment</b>						
45	Apopka	Orange	51,676	\$ 9,010,193								
46	Boca Raton	Palm Beach	93,417	\$ 4,441,809								
47	Bonita Springs	Lee	51,181	\$ 5,567,624								
48	Bradenton	Manatee	56,157	\$ 1,782,004	No Impact	Payment of impact fees not required until issuance of Certificate of Occupancy.						
49	Cape Coral	Lee	180,204	\$ 20,994,024								
50	Cocoa	Brevard	19,286	\$ 1,706,308								
51	Coconut Creek	Broward	58,344	\$ 2,056,863								
52	Davenport	Polk	5,602	\$ 2,270,788								

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	A	B	C	D	E	F	G	H	I	J	K	L
53	Daytona Beach	Volusia	66,267	\$ 1,845,907								
54	DeLand	Volusia	34,106	\$ 4,317,894	No Impact	The City collects impact fees at the time of building permit issuance.						
55	Doral	Miami-Dade	68,244	\$ 1,971,620	No Impact	The City collects impact fees at the time of building permit issuance.						
56	Estero	Lee	31,806	\$ 2,596,943	No Impact	The City collects impact fees at the time of building permit issuance.						
57	Fort Lauderdale	Broward	182,827	\$ 5,316,008	No Impact							
58	Fort Myers	Lee	81,868	\$ 6,508,465								
59	Fruitland Park	Lake	8,963	\$ 1,072,818								
60	Groveland	Lake	16,407	\$ 1,682,582								
61	Gulf Breeze	Santa Rosa	5,849	\$ 1,060,185								
62	Haines City	Polk	24,298	\$ 1,709,815								
63	Hialeah	Miami-Dade	238,906	\$ 2,189,895								
64	Homestead	Miami-Dade	73,863	\$ 2,563,710								
65	Islamorada	Monroe	5,990	\$ 1,173,105								
66	Jacksonville	Duval	907,093	\$ 5,469,249								
67	Kissimmee	Osceola	72,369	\$ 3,046,791								
68	Lakeland	Polk	105,586	\$ 5,105,817	No Impact	The City collects impact fees at the time of building permit issuance.						
69	Leesburg	Lake	23,297	\$ 1,049,727								
70	Lynn Haven	Bay	21,201	\$ 1,184,316								
71	Melbourne	Brevard	82,040	\$ 4,171,141								
72	Miami	Miami-Dade	481,333	\$ 25,347,222								
73	Miami Beach	Miami-Dade	92,502	\$ 4,705,814								
74	Miami Lakes	Miami-Dade	31,118	\$ 1,201,429	No Impact	The City collects impact fees at the time of building permit issuance.						
75	Minneola	Lake	12,348	\$ 1,812,772								
76	Miramar	Broward	137,107	\$ 4,249,840	No Impact	The City allows payment on the day of building permit issuance so it should not delay our collection.						
77	Mount Dora	Lake	14,536	\$ 2,219,952	No Impact	The City collects impact fees at the time of building permit issuance.						
78	North Miami Beach	Miami-Dade	45,612	\$ 3,979,128								
79	North Port	Sarasota	70,631	\$ 6,561,087								
80	Ocoee	Orange	45,694	\$ 3,741,581								
81	Orlando	Orange	285,099	\$ 17,854,782								
82	Ormond Beach	Volusia	41,140	\$ 1,513,814	No Impact							
83	Palm Bay	Brevard	112,703	\$ 2,963,444	No Impact	While early payment is encouraged, payment of impact fees are not required until issuance of a building permit.						
84	Palm Beach Gardens	Palm Beach	53,800	\$ 2,934,013								
85	Palm Coast	Flagler	84,575	\$ 7,892,173								
86	Panama City Beach	Bay	13,099	\$ 3,194,365								
87	Plant City	Hillsborough	38,938	\$ 1,166,192								
88	Plantation	Broward	89,595	\$ 1,163,981								
89	Port Orange	Volusia	61,009	\$ 3,067,526								
90	Port St. Lucie	St. Lucie	185,843	\$ 8,323,840	No Impact	The City collects impact fees at the time of building permit issuance.						
91	Punta Gorda	Charlotte	19,487	\$ 2,273,171	No Impact							
92	Sanford	Seminole	59,033	\$ 1,751,095	No Impact	Impact fee collections occur concurrently with the issuance of a building permit.						
93	Sarasota	Sarasota	55,832	\$ 1,392,390								
94	St. Cloud	Osceola	46,519	\$ 13,821,477								
95	Tampa	Hillsborough	378,531	\$ 1,838,793								
96	Tavares	Lake	17,353	\$ 2,432,006	No Impact	The City collects impact fees at the time of building permit issuance.						
97	Winter Garden	Orange	44,935	\$ 5,896,876								
98	Winter Haven	Polk	42,828	\$ 1,696,630	\$ (300,000)	At a minimum, August and September fees would be delayed beyond the end of the fiscal year.						
99	Winter Park	Orange	30,212	\$ 2,821,952	No Impact	The City collects impact fees at the time of building permit issuance.						
100	Winter Springs	Seminole	37,639	\$ 3,231,087	No Impact	Impact fee collections occur concurrently with the issuance of a building permit.						
101	<b>Total Survey</b>		<b>5,195,898</b>	<b>\$ 242,914,033</b>	<b>\$ (300,000)</b>							
102	<b>Statewide Municipal</b>			<b>\$ 279,765,125</b>								
103	<b>Survey % of Statewide</b>			<b>86.8%</b>								
104												
105	<b>Population of Municipal Responders</b>		<b>1,207,725</b>									
106	<b>Population of Municipal Non-Responders</b>		<b>3,988,173</b>									
107												
108	<b>Estimated Fiscal Impact of Municipal Non-Responders</b>				<b>\$ (990,666)</b>	<b>Methodology: Applied municipal responders' fiscal impact / population ratio to municipal non-responders.</b>						

	A	B	C	D	E	F	G	H	I	J	K	L
109												
110												
111	<b>II. Historical Impact Fee Revenue Collections Reported in Local Governments' Annual Financial Reports (Post-Great Recession)</b>											
112												
113	<b>FY</b>	<b>Counties</b>	<b>Municipalities</b>	<b>Special Districts</b>	<b>Total</b>							
114	2009-10	\$ 212,423,990	\$ 123,304,422	\$ 7,420,750	\$ 343,149,162							
115	2010-11	\$ 185,664,703	\$ 107,753,843	\$ 8,213,352	\$ 301,631,898							
116	2011-12	\$ 246,882,772	\$ 113,956,207	\$ 8,773,028	\$ 369,612,007							
117	2012-13	\$ 305,043,650	\$ 146,917,768	\$ 11,288,627	\$ 463,250,045							
118	2013-14	\$ 422,384,294	\$ 167,987,620	\$ 16,218,908	\$ 606,590,822							
119	2014-15	\$ 503,921,835	\$ 225,734,604	\$ 17,357,595	\$ 747,014,034							
120	2015-16	\$ 557,292,553	\$ 279,285,751	\$ 21,012,502	\$ 857,590,806							
121	2016-17	\$ 629,120,806	\$ 279,765,125	\$ 21,367,807	\$ 930,253,738							
122	Data Source: Compiled from Annual Financial Reports (AFR) submitted by counties, municipalities, and special districts to the Department of Financial Services (i.e., Revenue Account series #324.xxx Impact Fees).											
123												
124												
125	<b>III. FY 2019-20 Impact Projected into the Forecast Period Using a Compound Annual Growth Rate (CAGR) Calculated from Historical Total Revenue Collections</b>											
126												
127	<b>CAGR:</b>	<b>Total</b>										
128	2009-10 to 2016-17	15.3%										
129												
130	<b>FY</b>	<b>High</b>				<b>Low</b>						
131	2019-20	\$ (15,486,815)				\$ (7,873,484)						
132	2020-21	\$ (17,858,138)				\$ (9,079,063)						
133	2021-22	\$ (20,592,555)				\$ (10,469,238)						
134	2022-23	\$ (23,745,664)				\$ (12,072,276)						
135	2023-24	\$ (27,381,572)				\$ (13,920,769)						
136												
137												
138	<b>IV. Proposed Fiscal Impact</b>											
139												
140		<b>High</b>		<b>Middle</b>		<b>Low</b>						
141	<b>State FY</b>	<b>Cash</b>	<b>Recurring</b>	<b>Cash</b>	<b>Recurring</b>	<b>Cash</b>	<b>Recurring</b>					
142	2019-20	\$ (15,486,815)	\$ (15,486,815)	\$ (11,680,149)	\$ (11,680,149)	\$ (7,873,484)	\$ (7,873,484)					
143	2020-21	\$ (17,858,138)	\$ (17,858,138)	\$ (13,468,600)	\$ (13,468,600)	\$ (9,079,063)	\$ (9,079,063)					
144	2021-22	\$ (20,592,555)	\$ (20,592,555)	\$ (15,530,897)	\$ (15,530,897)	\$ (10,469,238)	\$ (10,469,238)					
145	2022-23	\$ (23,745,664)	\$ (23,745,664)	\$ (17,908,970)	\$ (17,908,970)	\$ (12,072,276)	\$ (12,072,276)					
146	2023-24	\$ (27,381,572)	\$ (27,381,572)	\$ (20,651,171)	\$ (20,651,171)	\$ (13,920,769)	\$ (13,920,769)					
147												
148	<b>Methodologies:</b>											
149	<b>Low: Sum of separate county and municipal fiscal impacts from survey responders (see Section I above).</b>											
150	<b>Middle: Average of the High and Low Impacts.</b>											
151	<b>High: Low Impact plus sum of separate county and municipal fiscal impacts from survey non-responders (see Section I above).</b>											