

Senate Bill No. 54-B

An act relating to local governments in a state of financial emergency; amending s. 218.503, F.S.; specifying the municipalities that may impose a surcharge on the gross revenues of certain parking facilities; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Subsections (1) and (5) of section 218.503, Florida Statutes, are amended to read:

218.503 Determination of financial emergency.—

(1) A local governmental entity is in a state of financial emergency when any of the following conditions occurs:

(a) Failure within the same fiscal year in which due to pay short-term loans from banks or failure to make bond debt service payments when due.

(b) Failure to transfer at the appropriate time, due to lack of funds:

1. Taxes withheld on the income of employees; or

2. Employer and employee contributions for:

a. Federal social security; or

b. Any pension, retirement, or benefit plan of an employee.

(c) Failure for one pay period to pay, due to lack of funds:

1. Wages and salaries owed to employees; or

2. Retirement benefits owed to former employees.

(d) An unreserved or total fund balance or retained earnings deficit for which sufficient resources of the local governmental entity are not available to cover the deficit for 2 successive years.

(e) Noncompliance of the local government retirement system with actuarial conditions provided by law.

(5)(a) The governing authority of any municipality having with a resident population of 300,000 or more on or after April 1, 1999, ~~and~~ which has been declared in a state of financial emergency pursuant to this section ~~within the previous 2 fiscal years~~ may impose a discretionary per-vehicle surcharge of up to 20 percent on the gross revenues of the sale, lease, or rental of space at parking facilities which ~~that~~ are open for use to the general public.

(b) A municipal governing authority that imposes the surcharge authorized by this subsection may use the proceeds of such surcharge for the following purposes only:

1. No less than 60 percent and no more than 80 percent of the surcharge proceeds shall be used by the governing authority to reduce its ad valorem tax millage rate or to reduce or eliminate non-ad valorem assessments.

2. A portion of the balance of the surcharge proceeds shall be used by the governing authority to increase its budget reserves; however, the governing authority shall not reduce the amount it allocates for budget reserves from other sources below the amount allocated for reserves in the fiscal year prior to the year in which the surcharge is initially imposed. When a 15-percent budget reserve is achieved, based on the average gross revenue for the most recent 3 prior fiscal years, the remaining proceeds from this subparagraph shall be used for the payment of annual debt service related to outstanding obligations backed or secured by a covenant to budget and appropriate from non-ad valorem revenues.

(c) This subsection expires ~~is repealed on~~ June 30, 2006.

Section 2. This act shall take effect upon becoming a law.

Approved by the Governor November 30, 2001.

Filed in Office Secretary of State November 30, 2001.