



FTA-PP-02: EXTENDING THE CHARTER COUNTY AND REGIONAL TRANSPORTATION SYSTEM SURTAX TO NON-CHARTER COUNTIES

COMMITTEE RECOMMENDATION: COMBINE AND ADOPT

RECOMMENDED AMENDED STATEMENT: PROPOSED POLICY: SUPPORT modification to existing laws to allow for the enactment by referendum of the Charter County and Regional Transportation System Surtax for those non-charter counties not currently authorized to levy the surtax.

BACKGROUND: Marion – Tax reform measures that simplify administration and provide an economic boost to Florida’s taxpayers are essential. These measures must consider and minimize the collective and cumulative negative impact on local revenues, including state-shared and local discretionary revenue sources that are critical to local governments in providing community services. To accomplish this objective, Marion County recommends the following: Enact a law allowing non-charter counties in Florida the opportunity to levy a transportation sales surtax similar to charter counties.

Monroe - Many of our communities experiencing frequent, persistent flooding and prolonged inundation due to heavy rainfall, storm surge, high tides, and seasonal King Tides, causing damage to its public roadways and property. Flooded roads block access to the community by homeowners, businesses services, public services, and emergency services. During times of natural disasters, the significant flooding jeopardizes emergency response to disaster victims, and the ability to clear road debris, restore power lines, and assess damage. One neighborhood's roads were underwater for almost 3 months in 2019. Simply raising the roads is not enough because the runoff must be treated and diverted away from private property owners' lots. The solution requires expensive engineered systems that treat and dispose of the water through injection wells. Without functioning roadways, operational storm water systems, and supporting infrastructure our communities cannot remain safe and secure or viable.

In addition, as a community with one main roadway that is often snarled in traffic, Monroe County benefit from additional funds to finance an improved transit system, whether it be buses, ferries and water taxis, or other types of transportation.

Other coastal non-charter counties are starting to experience similar flooding impacts. Other non-charter counties may have transportation and transit needs. Providing all 47 non-charter counties the opportunity to levy this surtax to meet these needs without the expense or added bureaucracy of forming new RTA's or charter governments will make for the most efficient use of these tax dollars.



Postponing such investment in critical infrastructure like roads and transit for lack of funds, will only be more costly for taxpayers, homeowners, and businesses. We seek to address these challenges before they become more expensive, and before they become actual interruptions to property values, business activity, and travel.

ANALYSIS: Marion – The enactment of the transportation sales surtax for non-charter counties will provide a much-needed revenue source to all non-charter counties in the state in order to fund transportation capital projects, especially since the local gas tax is not indexed and inflation has diminished purchasing power.

FISCAL IMPACT: Marion – Marion County has an annual shortfall of approximately \$10 million for capital maintenance projects and a backlog of \$300 million for local transportation capacity projects.

Monroe - Monroe currently levies a one penny infrastructure sales surtax, which generates approximately \$40 million per year. If the legislative change is made and the voters approve the levy, the transportation surtax would generate an additional \$40 million per year in Monroe County. In 2020, Monroe received estimates that it would take approximately \$1.8 billion to address its road elevation issues for our roughly 300 miles in County roads. The statute allows for an up to 30-year levy. At \$40 million a year, this tax would generate \$1.2 billion over 30 years - a significant step in meeting those projected costs.

If Monroe were to join the South Florida Regional Transit Authority, it would be required to pay approximately \$4.275 million each year for that privilege (see F.S. 343.58(1) & (3)). That membership fee is more than 10 percent of the anticipated proceeds of the tax, which would be better spent to finance actual road projects and/or transportation programs. Over a 30-year period, that \$4.275 million annual contribution would equal \$128.2 million that could be better spent on actual projects instead of funding overhead at SFRTA.

Both the State and communities all around coastal Florida face the same challenges, and costs. The state would benefit from this legislative change because local governments would have more local money to fund these projects, thus lessening the need to seek state funds.

FAC STAFF NOTES:

- FAC 2022 Policy Conference
 - o FTA-PP-03 and FTA-PP-04 sponsors agreed to consolidate their proposals
 - o The proposals were recommended by the committee to be combined and amended into one proposal, FTA-PP-02

- Statutes:



- o [S. 212.055](#), F.S. – *Discretionary Sales Surtaxes; Legislative Intent; Authorization and Use of*
 - “Each charter county that has adopted a charter, each county the government of which is consolidated with that of one or more municipalities, and each county that is within or under an interlocal agreement with a regional transportation or transit authority created under chapter 343 or chapter 349 may levy a discretionary sales surtax, subject to approval by a majority vote of the electorate of the county or by a charter amendment approved by a majority vote of the electorate of the county.”
 - Non-charter counties that are currently eligible are Hernando, Manatee, and Pasco Counties.
 - Three counties currently levy this surtax – Broward at 1%, Duval at 0.5%, and Miami-Dade at 0.5%.
- Florida Constitution:
 - o [Article VIII, Section 1\(f\)](#) reads: Counties not operating under county charters shall have such power of self-government as is provided by general or special law.
 - As it stands, state statute does not broadly authorize non-charter counties to levy the surtax.
- Previous FAC Statements & Guiding Principles:
 - o FTA-PP-03 (2021):
 - SUPPORT modification to existing laws to allow for enactment of the Transportation System Surtax for non-charter counties.
 - o Guiding Principle FTA 4.
 - The Florida Association of Counties supports measures that enhance the effectiveness of existing local revenue sources to meet current and future public service demands.

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ASSIGNED COMMITTEE: FTA

BOARD SUPPORT: Yes

UNFUNDED MANDATE: No

PROTECTIVE OF HOME RULE: N/A

