FINANCE, TAX, & ADMINISTRATION

County governments finance and deliver essential public services, including many responsibilities established by the state, and maintain the infrastructure on which Florida's communities and economy depend. Meeting these obligations requires revenue policy that is adequate, equitable, flexible, and responsive to constantly evolving conditions. FAC recognizes that local fiscal authority and public accountability are inseparable: counties must have the tools to fund services and remain directly answerable to the residents who rely on them. FAC recognizes that the government that is closest to the constituent is most responsive to the constituents – Voters in one community may want to pay more for a higher level of service in a specific area, while voters in another community may feel very differently. FAC strongly feels that each County should have the rights to make those decisions, and that they should not be made on a statewide basis by Legislators in Tallahassee. FAC supports policies that preserve county fiscal self-governance, provide counties with adequate and flexible revenue tools, and ensure public dollars are managed responsibly.

REVENUE

A. Property Tax Authority and Equity: Property tax remains the foundation of county finance because it provides stability, local accountability, and revenue for essential county services. Changes to property tax authority can widen the gap between market-based just value and taxable value, place pressure on millage rates, and shift burdens to businesses, renters, and other non-homestead taxpayers. FAC supports preserving the integrity, functionality, and fairness of county ad valorem authority and supports requiring the state to bear the corresponding cost when state action removes value from local tax rolls.

B. Local Revenue Authority: Counties rely on local option sales surtaxes, local option fuel taxes, tourist development taxes, special assessments, franchise fees, and user fees to meet local service, infrastructure and community needs. Restricting these sources does not reduce service demand; it shifts pressure back to property tax and especially strains fiscally constrained counties, where low property values and high millage rates can still yield limited revenue despite substantial service obligations. FAC supports preserving and strengthening county authority to levy and administer these sources without state-imposed restrictions and supports extending protections afforded state revenue sources equally to corresponding county sources.

C. State-Shared Revenue: State-shared revenues are integral to county budgets, and Article VII, section 18 of the Florida Constitution protects local revenue-raising authority and county shares of state taxes from reduction absent an extraordinary vote. Changes to shared revenue sources or distribution formulas can impair services, create inequities among counties, and leave counties absorbing state tax refunds or state land-acquisition

costs. FAC opposes changes to shared revenue sources or distribution formulas that materially impair county services and supports programs that keep pace with population and service demands, remain equitable among counties, offset county refunds required as a result of unforeseeable events like natural disasters, and provide full, recurring payments in lieu of taxes for state land acquisitions structured to protect the fiscal capacity of small and fiscally constrained counties.

GOVERNMENT ACCOUNTABILITY

A. Transparency and Fiscal Reporting: Counties adopt balanced budgets through noticed public hearings and submit their accounts to an annual independent audit, with results available to the public. Transparency and public-records requirements should help residents understand the true cost of essential services without duplicating existing reporting, undermining efficient service delivery, enabling frivolous or abusive demands, or compromising necessary safety and security exemptions. FAC supports transparency and public-records policies that provide residents with accurate, accessible, and technologically efficient county revenue and expenditure data, promote meaningful access to public records, protect counties from frivolous or abusive demands, and preserve appropriate safety and security exemptions.

B. Ethics and Public Service: County commissioners complete four hours of annual ethics training covering ethics, public records, and open meetings, as required by state law. Prevention, training, and consistent expectations promote public trust, while unreasonable standards can impede local administration or discourage qualified Floridians from public service. FAC supports policies that are fiscally reasonable, apply equally across state and local government, promote public trust, and avoid unnecessary operational burdens.

ADMINISTRATION

A. Administrative Costs and Fiscal Predictability: State law governs many aspects of county administration, creating compliance responsibilities funded at the local level. These policies affect the principal drivers of county budgets, including personnel and state-mandated expenditures, and counties need sound data and predictable rules to manage long-term financial plans. FAC supports policies that account for county fiscal impacts, fairness to employees, and the predictability required for long-term financial planning.

B. Public Notice and Procurement: Counties use public notice, legal advertising, and procurement procedures to conduct public business and deliver county projects. Changing technology and project demands require flexible, efficient procedures that balance public reach, fiscal efficiency, competition, accountability, and timely project

delivery. FAC supports county flexibility to satisfy public notice and legal advertising requirements through available media and supports competitive, efficient procurement procedures that protect public resources and streamline delivery of county projects.

C. Attorney's Fees: Counties act within the powers granted in Florida law, which includes the authority to prosecute and defend legal causes. Each county must balance the need for legal defense with the fiscal responsibility to protect taxpayer funds. Attorney's fees can significantly burden public budgets, and shift funds away from essential community services. Florida courts have traditionally upheld a general rule which prohibits the award of attorney's fees unless provided for in statute, rule, or contract. However, local governments are now faced with an increasing number of statutory provisions that require counties to allocate funds for attorneys' fees awarded in legal challenges to their actions. ***FAC supports measures that allow counties to exercise their powers without concern of the financial impact from litigation where counties are required to pay significant attorney fees.*** If a local government is acting in good faith when they pass an ordinance (such as acting on advice of their Attorney), attorney's fees should not be granted, except in rare cases where there is a judicial determination of bad faith or malice (scienter) on the part of the local government.

INTERGOVERNMENTAL RELATIONS

A. Funding Responsibility and Local Discretion: County commissions govern alongside constitutional county officers elected by the same voters, each performing duties established largely by state law and funded wholly or partly through county budgets. Because local taxpayers fund these duties, fiscal accountability requires the government that assigns a duty to fund it and the government that funds a duty to retain the discretion necessary to remain accountable to taxpayers. FAC supports clear funding and delivery responsibilities, giving county commission decision-making authority over funding the local duties of constitutional officers, providing adequate state funding when constitutional officers perform state responsibilities, and prohibiting the use of local revenue to finance the state's judicial obligations.

FEDERAL

A. Grant Administration: Counties are essential partners in implementing federally funded programs. Reliable requirements and funding allow counties and their federal partners to deliver results for residents, while unnecessary administrative burdens or de-obligation of funds previously awarded to counties that acted in good faith can delay services, waste local resources, and weaken federal-local implementation. FAC supports efficient, transparent, and accountable grant administration that respects local decision-making, provides reliable rules and guidance, and protects counties that act in good faith.

B. Payments in Lieu of Taxes: Land acquired by federal or other tax-exempt entities can reduce a county's revenue base while leaving service responsibilities intact. When payments do not reflect current property values or the acquiring entity's use of the land, counties, especially small counties, absorb costs created by tax-exempt ownership. FAC supports comprehensive and fully funded Payment in Lieu of Taxes programs that protect county fiscal capacity and adjust payments to reflect current property values and the acquiring entity's use of the land.

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