

Amendment One: The Florida Water and Land Conservation Amendment



GUNSTER
FLORIDA'S LAW FIRM FOR BUSINESS

Amendment Requirements

- State's environmental bonds are secured by Doc Stamp Tax revenues
- Documentary Stamp Tax
 - Chapter 201, F.S.
 - Taxes on deeds and other documents related to real property: 70 cents per \$100;
 - Certificates of indebtedness, promissory notes, wage assignments: 35 cents per \$100;
- 33% of Net Revenue from the Excise Tax on Documents to be deposited in the Land Acquisition Trust Fund for 20 years for the purposes specified in the Amendment
- Amendment does not alter the tax rate but restricts the purposes for which the tax revenue can be spent

Amendment Purposes

Excerpted:

(b)(1). As provided by law, to finance or refinance: the acquisition and improvement of land, water areas, and related property interests, including conservation easements, and resources for conservation lands including wetlands, forests, and fish and wildlife habitat; wildlife management areas; lands that protect water resources and drinking water sources, including lands protecting the water quality and quantity of rivers, lakes, streams, springsheds, and lands providing recharge for groundwater and aquifer systems; lands in the Everglades Agricultural Area and the Everglades Protection Area, as defined in Article II, Section 7(b); beaches and shores; outdoor recreation lands, including recreational trails, parks, and urban open space; rural landscapes; working farms and ranches; historic or geologic sites; together with management, restoration of natural systems, and the enhancement of public access or recreational enjoyment of conservation lands.

Financial Projections

Financial Impact Estimating Conference Amendment Revenue Projections
(in \$Millions):

Fiscal Year	2014-15	2015-16	2016-17
Doc Stamp Revenue (Net)	\$1,819.9	\$1,964.8	\$2,069.4
33% of Revenue	N/A	\$648.4	\$682.9



Fiscal Year	2033-34	2034-35
Doc Stamp Revenue (Net)	\$3,725.8	\$3,841.6
33% of Revenue	\$1,229.5	\$1,267.7

Expenditures

- Financial Impact Estimating Conference Amendment
Potential Expenditures from 2013-14 Budget:
\$562.9M
- Examples:
 - Florida Forever: \$20M
 - Everglades: \$70M
 - DACS BMPs: \$6.2M
 - Beaches and Shores – Administration: \$4.6M
 - Water Science/Lab Services/TMDLs: \$9.5M
 - Wastewater Facilities – SRF Program: \$9.3M

Financial Impact Estimating Conference Financial Impact Statement

- “Because the [existing doc stamp] tax proceeds are currently fully committed, this requirement may result in reductions currently funded by the tax, or in the replacement of those dollars with other state funds at a loss to other programs; however these outcomes are not certain.”
- “[T]he Legislature may choose to fund environmental or historical properties from the LATF rather than from other sources, resulting in little or no increase in overall funding for the projects authorized by the amendment.”
- “Based on public testimony from the sponsor and the Department of Environmental Projection, expenditures for administrative costs for salaries, fixed capital outlay and non-operating expenses are considered “management” as that term is used in paragraph (b)(1) of the Amendment.”

Overview of Expanded Expenditures

Services	2013-14 Budget	Meeting Purpose of (b)(1)
Administrative Services	\$74,039,222	\$52,631,883
Air Resources	\$18,828,831	\$0
District Offices	\$50,812,500	\$41,134,333
Environmental Assessment and Remediation	\$45,876,536	\$45,876,536
Recreation and Parks	\$130,012,120	\$130,012,120
State Lands	\$277,266,172	\$277,266,172
Waste Management	\$196,084,327	\$196,084,327
Water Policy and Ecosystem Restoration	\$159,564,853	\$159,564,853
Water Resource Management	\$346,632,672	\$346,632,672
TOTAL		\$1.218B

Detail on Possible Expenditures

Water Policy and Ecosystem Restoration	2013-14 Budget
Increase Operational Funds for Water Management Districts	\$5,000,000
Fixed Capital Outlay (includes Vehicle Acquisition)	\$22,885,817

Waste Management	2013-14 Budget
Petroleum Tank Cleanup Program	\$125,000,000
Solid Waste Landfill Closures	\$2,339,764

Summary

- Amendment 1 Revenue:
 - \$648M in FY 2015-16
 - \$1.268B in FY 2034-35
- Fin. Impact Est. Conf. Qualifying Expenditures: \$563M
- “Expanded” Qualifying Expenditures: \$1.218B
- Implementing Language CRITICAL.

Notes:

- Did not examine individual line items;
- Discounts applied to summary line items to determine qualifying amounts were not finely tuned, and were either discounts of 0%, 50%, or 100%;
- No attempt to include DACS or FWCC; and
- No growth assumed in DEP budget.