

toIntroduced by Council Member Dennis:

RESOLUTION 2021-

A RESOLUTION ENCOURAGING THE STATE TO ALLOW LOCAL GOVERNMENTS TO WAIVE THE PROVISIONS OF SECTIONS 336.025 AND 336.021, *FLORIDA STATUTES*, TO ALLOW LOCAL GOVERNMENTS THE ABILITY TO SUSPEND COLLECTION OF LOCAL OPTION GAS TAXES IF THE STATE SUSPENDS THE STATE GAS TAX FOR A PERIOD OF TIME THAT IS CONSISTENT WITH THE STATE'S SUSPENSION; OFFERING FINDINGS AND STATEMENTS OF FACT; ADDITIONAL APPROVAL AND AUTHORIZATION REQUIRED TO EXECUTE DOCUMENTS RELATED TO THE WAIVER OF STATE STATUTES TO SUSPEND COLLECTION OF THE LOGT AND TRANSFER OF FUNDS TO PREVENT FUNDING LAPSE; DIRECTION TO FORWARD TO THE FLORIDA LEGISLATURE, THE DUVAL LEGISLATIVE DELEGATION AND THE FLORIDA DEPARTMENT OF REVENUE; PROVIDING AN EFFECTIVE DATE.

WHEREAS, in May 2021, the City Council approved an extension to the current six-cent local option gas tax and levied a new five-cent local option gas tax and a one-cent local option gas tax in Ordinance 2021-223-E (with the new five-cent and one-cent taxes together referred to herein as the "LOGT"); and

WHEREAS, the City is in the process of implementing the additional LOGT and executing interlocal agreements with the municipal corporations within Duval County to begin collection and disbursement of the LOGT on January 1, 2022; and

1 **WHEREAS**, in recent months following economic conditions
2 related to the COVID-19 pandemic and supply chain issues affecting
3 the sale and delivery of products nationally and internationally,
4 the price of gasoline at the pump has increased in a short period
5 of time; and

6 **WHEREAS**, the Governor of the State of Florida recently
7 announced that he would propose to temporarily reduce the 26.5-cent
8 per gallon state gas tax imposed pursuant to Chapter 336, *Florida*
9 *Statutes*; and

10 **WHEREAS**, the suspension of the state gas tax does not negate
11 collection of other gas taxes, including the federal gas taxes
12 imposed at 18.4 cents a gallon and the local option gas tax
13 totaling 12 cents per gallon (of which 6-cents for LOGT were
14 approved in Ordinance 2021-223-E); and

15 **WHEREAS**, if the Legislature and/or the Governor is successful
16 in temporarily suspending the state gas tax, the Council believes
17 that the State should take action to allow waiver of provisions of
18 Sections 336.025 (pertaining to the 5-cent tax) and 336.021
19 (pertaining to the 9th cent tax), *Florida Statutes*, pertaining to
20 collection of local option gas taxes so that local governments have
21 the ability to also temporarily suspend the collection of local
22 option gas taxes for a time consistent with the suspension of the
23 state gas taxes; and

24 **WHEREAS**, the Council respectfully requests that if the
25 Legislature and/or the Governor takes action to suspend collection
26 of the state gas tax upon the residents of Florida that they also
27 put in place a mechanism for local governments to waive the process
28 outlined in Sections 336.025 (pertaining to the 5-cent tax) and
29 336.021 (pertaining to the 9th cent tax), *Florida Statutes*, and have
30 the ability to do the same to suspend local option gas taxes; and

1 **WHEREAS**, the Council finds that it is a legitimate public
2 purpose for the City of Jacksonville to suspend the 6-cent LOGT for
3 a period of time consistent with the State's proposed suspension of
4 the state gas tax to alleviate some of the hardship that rising gas
5 prices have taken on the citizens of Jacksonville; and

6 **WHEREAS**, since the Legislature and/or the Governor may act to
7 suspend the State gas tax as soon as the next several months and
8 the Council would like to communicate its intent to authorize
9 suspension of the LOGT collection, if the State allows waiver of
10 the statutory provisions as to collection, as swiftly as possible
11 to align with the State action; and

12 **WHEREAS**, in the interest of time, the Council desires to
13 immediately communicate to the State its desire to temporarily
14 suspend LOGT collection if the State takes action to suspend the
15 state gas tax; now therefore,

16 **BE IT ORDAINED** by the Council of the City of Jacksonville:

17 **Section 1. Findings and Statement of Intent.**

18 (a) The above recitals are hereby adopted as the Council's
19 Findings of Fact; and

20 (b) It is the intent of the Council to communicate to the
21 State that it supports the State's temporary waiver of provisions
22 of Sections 336.025 (pertaining to the 5-cent tax) and 336.021
23 (pertaining to the 9th cent tax), *Florida Statutes*, so that the City
24 of Jacksonville can be authorized to temporarily suspend collection
25 of the LOGT to align with any State action that suspends collection
26 of the state gas tax; and

27 (c) It is further the intent of the Council to act swiftly at
28 the local level to authorize the City of Jacksonville to take the
29 necessary steps to immediately suspend collection of the LOGT if
30 the State authorizes waiver of the statutory provisions regarding
31 collection for local government gas taxes.

1 **Section 2. Encouraging the State Legislature and/or the**
2 **Governor, as applicable, to waive certain statutory provisions to**
3 **allow local governments to suspend collection of local option gas**
4 **taxes for a period of time consistent with the State suspension of**
5 **collection of state gas taxes.** Upon approval by the Legislature or
6 the Governor, as applicable, of a temporary suspension of the
7 collection of state gas taxes, the Council believes that local
8 governments should have the ability to waive the provisions of
9 Sections 336.025 (pertaining to the 5-cent tax) and 336.021
10 (pertaining to the 9th cent tax), *Florida Statutes*, to allow local
11 governments the option to temporarily suspend the collection of the
12 local option gas taxes. Therefore, the Council would respectfully
13 encourage and request that if the State takes action to suspend
14 collection of the state gas tax upon the residents of Florida that
15 it also puts in place a mechanism for the waiver of Sections
16 336.025 (pertaining to the 5-cent tax) and 336.021 (pertaining to
17 the 9th cent tax), *Florida Statutes*, and provisions regarding
18 collection of the local option gas taxes consistent with the
19 suspension of collection of state gas taxes.

20 **Section 3. Additional approval and authorization required to**
21 **execute documents related to the temporary suspension of the local**
22 **option gas tax and transfer of funds to prevent lapse in funding.**
23 Should the State offer a mechanism to waive the provisions of
24 Sections 336.025 (pertaining to the 5-cent tax) and 336.021
25 (pertaining to the 9th cent tax), *Florida Statutes*, to allow for
26 local governments' suspension of collection of the local option gas
27 tax consistent with suspension of the state gas tax, the Council
28 hereby states its intent to file emergency legislation to authorize
29 the City to execute and deliver any such documents necessary to
30 effectuate a temporary suspension of the LOGT consistent with State
31 suspension of state gas tax, and to authorize the appropriation of

1 funding to prevent any lapses in funding from budgeted LOGT fund
2 sources.

3 **Section 4. Directing the forwarding to State Governor and**
4 **Legislature, the Duval Legislative Delegation, and the Florida**
5 **Department of Revenue.** The Legislative Services Division is
6 directed to send an electronic copy of this Ordinance upon
7 enactment to the Governor, the Senate President and the Speaker of
8 the House of the Florida Legislature, the members of the Duval
9 Legislative Delegation, and the Florida Department of Revenue.

10 **Section 5. Effective Date.** This ordinance shall become
11 effective upon signature by the Mayor or upon becoming effective
12 without the Mayor's signature.

13
14 Form Approved:

15
16 _____
17 Office of General Counsel

18 Legislation prepared by: Paige H. Johnston

19 GC-#1469910-v1-Dennis_LOGT_Reso_State.doc