

OFFICE OF MANAGEMENT AND BUDGET

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MEMORANDUM

January 13, 2022

TO: Board of County Commissioners

FROM: Norman Foster, Director 
Office of Management and Budget

SUBJECT: Fiscal Impact Statement Re: Proposed Ordinance Creating the Broward County Preventative Health Care Program

Summary

Counties that are not consolidated with one or more municipalities, have a population of at least 800,000, and are not authorized to levy a County Public Hospital Surtax may levy a discretionary sales surtax of up to 0.5% as an Indigent Care Surtax. The levy of such a surtax requires the enactment of an ordinance by the Board of County Commissioners and approval by a majority of County electors voting in a referendum election. Under the proposed ordinance, the surtax would be administered, collected, enforced, and disbursed as provided in the Broward County Health Care Plan. The Health Care Plan would initially be approved by the Board of County Commissioners and reviewed at least annually by one or more industry expert who would provide recommendations for modifications to the Board. The proposed ordinance would require that an independent certified public account perform a biennial audit of all programs funded by the surtax and the proceeds received, maintained, and expended. Additionally, the proposed ordinance would give the County Administrator the authority to establish a department, division, or office for administration of the Health Care Surtax and implementation of the Health Care Pan. The proposed ordinance would also establish a Health Care Surtax Advisory Board.

Fiscal Impact

The tax would be effective January 1, 2023, and the first proceeds are anticipated to be received by the end of March 2023, therefore only a partial year of revenues would be received in Fiscal Year 2023. It is estimated that the levy of one-half cent of local discretionary sales surtax for indigent care would generate \$137 million in Fiscal Year 2023 and \$190 million in revenues in the first full fiscal year in 2024. As proposed, the surtax would expire on December 31, 2034. Costs associated with the administration and implementation of the Health Care Plan are undeterminable at this time as staffing levels have not yet been established.

NF:eep/no