



PALM BEACH COUNTY FIRE RESCUE

October 23, 2025

The Honorable John Snyder, Chair
Palm Beach County Legislative Delegation
4239 Southwest High Meadow Avenue
Palm City, Florida 34990

Re: Municipal Service Taxing Unit Service Levels

Dear Chair Snyder,

Large areas of Palm Beach County receive fire rescue services through a taxpayer funded Municipal Services Taxing Unit ("MSTU"). Palm Beach County's MSTU has been an invaluable tool in providing best in class fire rescue services to the citizens of Palm Beach County. Long range planning and budgeting are paramount to being able to provide fire rescue services at such a consistently high level of quality. Decades of planning are necessary to properly site, fund and construct new fire infrastructure to accommodate the consistent population growth that has been experienced in Palm Beach County.

The annexation of unincorporated property in Palm Beach County has occurred more frequently in recent years. As unincorporated property has been annexed from inside the MSTU borders there have been increasing instances of taxpayers being forced to fund duplicative fire rescue infrastructure in the annexed MSTU areas as the annexing municipality seeks to provide services to the newly annexed properties even though the properties already receive fire rescue services from the MSTU.

Given that it takes multiple years, often over a decade, for the MSTU to plan and implement fire service infrastructure investments, it would be impossible for either the MSTU or a future annexing municipality to predict these scenarios that drive duplicative taxpayer investments. As such, this proposal provides a stable framework for the planning, implementation and provision of fire rescue services in Palm Beach County while ensuring that taxpayers do not make duplicative investments in fire rescue infrastructure and municipalities can still annex unincorporated property.

Given the cross-jurisdictional nature of this matter it is necessary for this proposal to advance through the delegation's local bill process. We look forward to working with the delegation to advance the interests of Palm Beach County's taxpayers.

Warmest Regards,

A handwritten signature in blue ink, appearing to read "P. Kennedy", is written over the typed name.

Patrick J. Kennedy
Fire Rescue Administrator

Chief Patrick J. Kennedy
405 Pike Road
West Palm Beach, FL 33411
561-616-7000
www.pbefr.org

Executive Staff

Assistant Chief
David Woodside

Deputy Chief
Jose Gonzalez

Deputy Chief
Kimberly Hude

Fire Marshal
Chief David DeRita

EXCELLENCE TODAY



IMPROVING TOMORROW

Local Bill Summary

The local bill revises the impacts of annexation within Palm Beach County to avoid adverse health and safety impacts to the citizens and visitors of the county.

The local bill provides a method to allow the Palm Beach County Fire/Rescue Municipal Service Taxing Units ("PBFire MSTU") to avoid adverse financial impacts associated with annexations within its boundaries, while at the same time not restricting municipalities' ability to annex.

With the recent increase in property values, municipalities are beginning to annex tax-desirable properties within the PBFire MSTU. Historically, municipalities do not annex less desirable properties but rather properties that pay more taxes than the cost of services provided are targeted.

By annexing tax-desirable properties within the PBFire MSTU, there is a shift of fire expenses onto remaining district residents. As a direct result of the annexation, a PBFire MSTU may either need to levy a higher millage rate or decrease the level of services. As the PBFire MSTU's tax base continues to decrease due to annexations, the PBFire MSTU may become economically inefficient. This issue is even more complicated when a municipality annexes property that includes a PBFire MSTU fire station. Either the Palm Beach County firefighters do not provide to the annexed property even though they may be the closest unit to the emergency due to their fire station being located within the annexing municipality, or they provide the service for free. In this scenario, the remaining property owners within the PBFire MSTU would be supplementing services to the annexing city for free.

The local bill provides that the following applies to all annexations within Palm Beach County after January 1, 2026:

- Municipalities may still expand their boundaries in accordance with Chapter 171, Florida Statutes.
 - The ability to expand is not impacted; only the service provider for fire and emergency services is impacted.
- The PBFire MSTU's boundaries contract upon the annexation, just as it occurs today. Double taxation is avoided.
- Palm Beach County firefighters continue to provide service to the annexed property and remain the Authority Having Jurisdiction.
- Every year, the annexing municipality will pay the County the amount that the PBFire MSTU would have collected in ad valorem taxes and assessments if the property had not been annexed.
- To continue to provide flexibility and ensure that the health and safety of citizens and visitors is paramount, the County and the annexing municipality may enter into an agreement that provides the annexing municipality to assume services.

This local bill does provide exceptions to general law, which is allowed as a local bill. In addition, this concept of continuing fire service following annexation has been adopted for several independent special fire districts in the State, as these districts similarly faced harmful annexations.

Although this local bill does limit municipalities' home rule powers, the Florida Constitution grants the Legislature the authority to limit municipalities authority.

BILL

ORIGINAL

YEAR

1 A bill to be entitled
 2 An act relating to Palm Beach County; providing that
 3 properties within a municipal service taxing unit
 4 whose primary purpose is to provide fire protection,
 5 rescue, and emergency medical services remains the
 6 service provider to property that has been annexed
 7 after a specified date; providing an effective date.

8
 9 Be It Enacted by the Legislature of the State of Florida:

10
 11 Section 1. To avoid adverse impacts to the health and
 12 safety of citizens and residents of unincorporated Palm Beach
 13 County that may occur due to certain municipal annexations,
 14 notwithstanding Section 125.011, Florida Statutes, or any other
 15 general law, special act, municipal charter, or ordinance of a
 16 local government to the contrary, a municipal service taxing
 17 unit whose primary purpose is to provide fire protection,
 18 rescue, and emergency medical services shall remain the fire
 19 protection, rescue, and emergency medical services provider to
 20 real property annexed after January 1, 2026. Following the
 21 annexation, the geographical boundaries of the municipal service
 22 taxing unit shall contract to exclude the annexed real property
 23 and the county may not levy ad valorem taxes through the
 24 municipal service taxing unit on the annexed real property.
 25 Annually, the municipality shall pay the county, for the benefit

BILL

ORIGINAL

YEAR

26 | of the municipal service taxing unit, an amount equal to the ad
27 | valorem taxes and assessments that would have been collected had
28 | the real property remained in the municipal service taxing unit.
29 | The county, through the municipal services unit, remains the
30 | Authority Having Jurisdiction and may continue to collect impact
31 | fees and other fees from the annexed real property. Through a
32 | written agreement approved by the Palm Beach County Board of
33 | County Commissioners and the applicable annexing municipality,
34 | the county and annexing municipality may agree for the annexing
35 | municipality to assume fire protection, rescue, or emergency
36 | medical service to the annexed territory.

37 |

38 | Section 2. This act shall take effect upon becoming a law.

39 |

HOUSE OF REPRESENTATIVES
LOCAL BILL ECONOMIC IMPACT STATEMENT FORM

Read all instructions carefully.

House local bill policy prohibits a local bill from being considered by a committee or subcommittee without an Economic Impact Statement. This form must be prepared by an individual who is qualified to establish fiscal data and impacts and has personal knowledge of the information given (for example, a chief financial officer of a particular local government) and include information for the first two full fiscal years after the effective date of the local bill. Please file this completed form with the Clerk of the House as soon as possible after a bill is filed. Additional pages may be attached as necessary.

BILL #: _____
SPONSOR(S): Snyder
RELATING TO: Palm Beach County Municipal Service Taxing Units
 [Indicate Area Affected (City, County or Special District) and Subject]

Check if this is a revised Economic Impact Statement

I. REVENUES:

These figures are new revenues that would not exist but for the passage of the bill. The term "revenue" contemplates, but is not limited to, taxes, fees, and special assessments. For example, license plate fees may be a revenue source. If the bill will add or remove property or individuals from the tax base, include this information as well.

	<u>First FY</u>	<u>Second FY</u>
Revenue decrease due to bill:	\$ <u> 0 </u>	\$ <u> 0 </u>
Revenue increase due to bill:	\$ <u> 0 </u>	\$ <u> 0 </u>

II. COST:

Include all costs, both direct and indirect, including start-up costs. If the bill repeals the existence of a certain entity, state the related costs, such as satisfying liabilities and distributing assets.

Expenditures for Implementation, Administration, and Enforcement:

	<u>First FY</u>	<u>Second FY</u>
	\$ <u> 0 </u>	\$ <u> 0 </u>

Please include explanations and calculations regarding how each dollar figure was determined in reaching total cost.

The proposal contemplates providing current services at current revenue levels with existing resources. Further, the proposal would prevent spending on duplicate resources to provide overlapping services.

III. FUNDING SOURCE(S):

State the specific sources from which funding will be received, for example, license plate fees, state funds, borrowed funds, or special assessments.

If certain funding changes are anticipated to occur beyond the following two fiscal years, explain the change and at what rate taxes, fees, or assessments will be collected in those years.

	<u>First FY</u>	<u>Second FY</u>
Local:	\$ _____	\$ _____
State:	\$ _____	\$ _____
Federal:	\$ _____	\$ _____

IV. ECONOMIC IMPACT:

Potential Advantages:

Include all possible outcomes linked to the bill, such as increased efficiencies, and positive or negative changes to tax revenue. If an act is being repealed or an entity dissolved, include the increased or decreased efficiencies caused thereby. Include specific figures for anticipated job growth.

1. Advantages to Individuals: This proposal will ensure consistent levels of fire rescue services are provided to annexed areas and allow for the planning of infrastructure that will prevent the taxpayer from paying for duplicative infrastructure.
2. Advantages to Businesses: See 1.
3. Advantages to Government: This proposal would allow greater certainty in planning for the MSTU to ensure that taxpayer resources are employed in the most efficient way and avoid duplicative spending on infrastructure. The annexing municipality will be able to ensure consistent levels of fire rescue services are provided to the citizens in the annexed area without making unnecessary or duplicative spending on fire rescue services. Further, the proposal provides flexibility to move the MSTU border in the future to shift the services to the annexing municipality should that be in the taxpayers' best interest in the future.

Potential Disadvantages:

Include all possible outcomes linked to the bill, such as inefficiencies, shortages, or market changes anticipated. Include reduced business opportunities, such as reduced access to capital or training. State any decreases in tax revenue as a result of the bill.

1. Disadvantages to Individuals: No apparent disadvantages to individuals.
2. Disadvantages to Businesses: No apparent disadvantage to businesses.

3. Disadvantages to Government: Although not a true disadvantage, some annexing municipalities may desire more control of fire services in the annexed area.

V. DESCRIBE THE POTENTIAL IMPACT OF THE BILL ON PRESENT GOVERNMENTAL SERVICES:

Current fire rescue service levels will be maintained and improved in both the MSTU and areas that are newly annexed.

VI. SPECIFIC DATA USED IN REACHING ESTIMATES:

Include the type(s) and source(s) of data used, percentages, dollar figures, all assumptions made, history of the industry/issue affected by the bill, and any audits.

Current spending data and service level data were used in developing this estimate.

VII. CERTIFICATION BY PREPARER

I hereby certify I am qualified to establish fiscal data and impacts and have personal knowledge of the information given. I have reviewed all available financial information applicable to the substance of the above-stated local bill and confirm the foregoing

Economic Impact Statement is a true and accurate estimate of the economic impact of the bill.

PREPARED BY:

Lauren Magierowski
[Must be signed by Preparer]

Print preparer's name:

Lauren Magierowski

Oct. 23, 2025

Date

TITLE (such as Executive Director, Actuary, Chief Accountant, or Budget Director):

Director of Finance

REPRESENTING:

Palm Beach County Fire Rescue

PHONE:

561-666-7021

E-MAIL ADDRESS:

LMagierowski@pbc.gov

ORDER DETAILS

PREVIEW FOR AD NUMBER LSAR03957770

Order Number:
LSAR0395777
Order Status:
Submitted
Classification:
Public Notices
Package:
General Package
1 Affidavit:
2.00
Base amount:
51.44
Service fee:
2.05
Cash/Check/ACH

Discount:
-0.00
Total payment:
53.49
As an incentive for customers, we provide a discount off the total order cost equal to the 3.99% service fee if you pay with Cash/Check/ACH. Pay by Cash/Check/ACH and save! In no event are service fees refundable.
Payment Type:
visa
User ID:
L0122131

NOTICE OF INTENT TO SEEK LEGISLATION

TO WHOM IT MAY CONCERN: Notice is hereby given of intent to apply to the 2026 Florida Legislature, in the 2026 regular or any special or extended legislative sessions, for passage of an act relating to Palm Beach County and annexations within its municipal service taxing units whose primary purpose is to provide fire protection, rescue, and emergency medical services.
October 28 2025
LSAR0395777

ACCOUNT INFORMATION

Michael OBrien
3711 S Congress Ave
Palm Springs, FL 33461
561-427-9228
lvp1@iaff2928.com
Professional Firefighters/Paramedics of Palm Beach County Local 2928
Contract ID:

PAYMENT DETAILS

visa*****8404

TRANSACTION REPORT

Date
October 23, 2025 5:50:14 PM EDT

Amount:

53.49

ADDITIONAL OPTIONS

1 Affidavit

SCHEDULE FOR AD NUMBER LSAR03957770

October 28, 2025

Palm Beach Post

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