

201190e1

1 A bill to be entitled
2 An act relating to local government; amending s.
3 170.01, F.S.; clarifying that certain assessments must
4 be approved by a majority vote of certain voting
5 electors; amending s. 163.07, F.S.; requiring a plan
6 of a county or municipality to improve the efficiency,
7 accountability, and coordination of the delivery of
8 local government services to include a plan for the
9 consolidation of all administrative direction and
10 support services if the county or municipality is
11 subject to review and oversight by the Governor;
12 amending s. 218.503, F.S.; authorizing a financial
13 emergency review board for a local governmental entity
14 or district school board to consult with other
15 governmental entities for the consolidation of all
16 administrative direction and support services;
17 authorizing the Governor or Commissioner of Education
18 to require a local governmental entity or district
19 school board to develop a plan implementing the
20 consolidation, sourcing, or discontinuance of all
21 administrative direction and support services;
22 providing that the members of the governing body of a
23 local governmental entity or the members of a district
24 school board who fail to resolve a state of financial
25 emergency are subject to suspension or removal from
26 office; providing an effective date.

27
28 Be It Enacted by the Legislature of the State of Florida:
29

201190e1

30 Section 1. Subsection (3) of section 170.01, Florida
31 Statutes, is amended to read:

32 170.01 Authority for providing improvements and levying and
33 collecting special assessments against property benefited.—

34 (3) Any municipality, subject to the approval by ~~of~~ a
35 majority vote of the affected property owners voting in an
36 election, may levy and collect special assessments against
37 property benefited for the purpose of stabilizing and improving:

- 38 (a) Retail business districts,
39 (b) Wholesale business districts, or
40 (c) Nationally recognized historic districts,

41
42 or any combination of such districts, through promotion,
43 management, marketing, and other similar services in such
44 districts of the municipality. This subsection does not
45 authorize a municipality to use bond proceeds to fund ongoing
46 operations of these districts.

47 Section 2. Section 163.07, Florida Statutes, is amended to
48 read:

49 163.07 Efficiency and accountability in local government
50 services.—

51 (1) The intent of this section is to provide and encourage
52 a process that will:

53 (a) Allow municipalities and counties to resolve conflicts
54 among local jurisdictions regarding the delivery and financing
55 of local services.

56 (b) Increase local government efficiency and
57 accountability.

58 (c) Provide greater flexibility in the use of local revenue

201190e1

59 sources for local governments involved in the process.

60 (2) Any county or combination of counties, and the
61 municipalities therein, may use the procedures provided by this
62 section to develop and adopt a plan to improve the efficiency,
63 accountability, and coordination of the delivery of local
64 government services. The development of such a plan may be
65 initiated by a resolution adopted by a majority vote of the
66 governing body of each of the counties involved, by resolutions
67 adopted by a majority vote of the governing bodies of a majority
68 of the municipalities within each county, or by resolutions
69 adopted by a majority vote of the governing bodies of the
70 municipality or combination of municipalities representing a
71 majority of the municipal population of each county. The
72 resolution shall create a commission which will be responsible
73 for developing the plan. The resolution shall specify the
74 composition of the commission, which shall include
75 representatives of county and municipal governments, of any
76 affected special districts, and of any other relevant local
77 government entities or agencies. The resolution must include a
78 proposed timetable for development of the plan and must specify
79 the local government support and personnel services that will be
80 made available to the representatives developing the plan.

81 (3) Upon adoption of a resolution or resolutions as
82 provided in subsection (2), the designated representatives shall
83 develop a plan for delivery of local government services. The
84 plan must:

85 (a) Designate the areawide and local government services
86 that are the subject of the plan.

87 (b) Describe the existing organization of such services and

201190e1

88 the means of financing the services, and create a reorganization
89 of such services and the financing thereof that will meet the
90 goals of this section.

91 (c) Designate the local agency that should be responsible
92 for the delivery of each service.

93 (d) Designate those services that should be delivered
94 regionally or countywide. No provision of the plan shall operate
95 to restrict the power of a municipality to finance and deliver
96 services in addition to, or at a higher level than, the services
97 designated for regional or countywide delivery under this
98 paragraph.

99 (e) Provide means to reduce the cost of providing local
100 services and enhance the accountability of service providers.

101 (f) Include a multiyear capital outlay plan for
102 infrastructure.

103 (g) Specifically describe any expansion of municipal
104 boundaries that would further the goals of this section. Any
105 area proposed to be annexed must meet the standards for
106 annexation provided in chapter 171. The plan shall not contain
107 any provision for contraction of municipal boundaries or
108 elimination of any municipality.

109 (h) Provide specific procedures for modification or
110 termination of the plan.

111 (i) Specify any special act modifications which must be
112 made to effectuate the plan.

113 (j) Specify the effective date of the plan.

114 (4) (a) A plan developed pursuant to this section must
115 conform to all comprehensive plans that have been found to be in
116 compliance under part II of this chapter, for the local

201190e1

117 governments participating in the plan.

118 (b) No provision of a plan developed pursuant to this
119 section shall restrict the authority of any state or regional
120 governmental agency to perform any duty required to be performed
121 by that agency by law.

122 (5) (a) A plan developed pursuant to this section must be
123 approved by a majority vote of the governing body of each county
124 involved in the plan, and by a majority vote of the governing
125 bodies of a majority of municipalities in each county, and by a
126 majority vote of the governing bodies of the municipality or
127 municipalities that represent a majority of the municipal
128 population of each county.

129 (b) After approval by the county and municipal governing
130 bodies as required by paragraph (a), the plan shall be submitted
131 for referendum approval in a countywide election in each county
132 involved. The plan shall not take effect unless approved by a
133 majority of the electors of each county who vote in the
134 referendum, and also by a majority of the electors of the
135 municipalities that represent a majority of the municipal
136 population of each county who vote in the referendum. If
137 approved by the electors as required by this paragraph, the plan
138 shall take effect on the date specified in the plan.

139 (6) A plan developed pursuant to this section by a county
140 or municipality that is subject to review and oversight by the
141 Governor pursuant to s. 218.503 must include a plan for the
142 consolidation of all administrative direction and support
143 services, including, but not limited to, services for asset
144 sales, economic and community development, building inspections,
145 parks and recreation, facilities management, engineering and

201190e1

146 construction, insurance coverage, risk management, planning and
147 zoning, information systems, fleet management, and purchasing.

148 (7)~~(6)~~ If the plan calls for merger or dissolution of
149 special districts, such merger or dissolution shall comply with
150 the provisions of chapter 189.

151 (8)~~(7)~~ If a plan developed pursuant to this section
152 includes areas proposed for municipal annexation which meet the
153 standards for annexation provided in chapter 171, such
154 annexation shall take effect upon approval of the plan as
155 provided in this section, notwithstanding the procedures for
156 approval of municipal annexation specified in chapter 171.

157 Section 3. Section 218.503, Florida Statutes, is amended to
158 read:

159 218.503 Determination of financial emergency.—

160 (1) Local governmental entities, charter schools, charter
161 technical career centers, and district school boards shall be
162 subject to review and oversight by the Governor, the charter
163 school sponsor, the charter technical career center sponsor, or
164 the Commissioner of Education, as appropriate, when any one of
165 the following conditions occurs:

166 (a) Failure within the same fiscal year in which due to pay
167 short-term loans or failure to make bond debt service or other
168 long-term debt payments when due, as a result of a lack of
169 funds.

170 (b) Failure to pay uncontested claims from creditors within
171 90 days after the claim is presented, as a result of a lack of
172 funds.

173 (c) Failure to transfer at the appropriate time, due to
174 lack of funds:

201190e1

175 1. Taxes withheld on the income of employees; or
176 2. Employer and employee contributions for:
177 a. Federal social security; or
178 b. Any pension, retirement, or benefit plan of an employee.
179 (d) Failure for one pay period to pay, due to lack of
180 funds:

181 1. Wages and salaries owed to employees; or
182 2. Retirement benefits owed to former employees.
183 (e) An unreserved or total fund balance or retained
184 earnings deficit, or unrestricted or total net assets deficit,
185 as reported on the balance sheet or statement of net assets on
186 the general purpose or fund financial statements, for which
187 sufficient resources of the local governmental entity, charter
188 school, charter technical career center, or district school
189 board, as reported on the balance sheet or statement of net
190 assets on the general purpose or fund financial statements, are
191 not available to cover the deficit. Resources available to cover
192 reported deficits include net assets that are not otherwise
193 restricted by federal, state, or local laws, bond covenants,
194 contractual agreements, or other legal constraints. Fixed or
195 capital assets, the disposal of which would impair the ability
196 of a local governmental entity, charter school, charter
197 technical career center, or district school board to carry out
198 its functions, are not considered resources available to cover
199 reported deficits.

200 (2) A local governmental entity shall notify the Governor
201 and the Legislative Auditing Committee; a charter school shall
202 notify the charter school sponsor, the Commissioner of
203 Education, and the Legislative Auditing Committee; a charter

201190e1

204 technical career center shall notify the charter technical
205 career center sponsor, the Commissioner of Education, and the
206 Legislative Auditing Committee; and a district school board
207 shall notify the Commissioner of Education and the Legislative
208 Auditing Committee, when one or more of the conditions specified
209 in subsection (1) have occurred or will occur if action is not
210 taken to assist the local governmental entity, charter school,
211 charter technical career center, or district school board. In
212 addition, any state agency must, within 30 days after a
213 determination that one or more of the conditions specified in
214 subsection (1) have occurred or will occur if action is not
215 taken to assist the local governmental entity, charter school,
216 charter technical career center, or district school board,
217 notify the Governor, charter school sponsor, charter technical
218 career center sponsor, or the Commissioner of Education, as
219 appropriate, and the Legislative Auditing Committee.

220 (3) Upon notification that one or more of the conditions in
221 subsection (1) have occurred or will occur if action is not
222 taken to assist the local governmental entity or district school
223 board, the Governor or his or her designee shall contact the
224 local governmental entity or the Commissioner of Education or
225 his or her designee shall contact the district school board to
226 determine what actions have been taken by the local governmental
227 entity or the district school board to resolve or prevent the
228 condition. The Governor or the Commissioner of Education, as
229 appropriate, shall determine whether the local governmental
230 entity or the district school board needs state assistance to
231 resolve or prevent the condition. If state assistance is needed,
232 the local governmental entity or district school board is

201190e1

233 considered to be in a state of financial emergency. The Governor
234 or the Commissioner of Education, as appropriate, has the
235 authority to implement measures as set forth in ss. 218.50-
236 218.504 to assist the local governmental entity or district
237 school board in resolving the financial emergency. Such measures
238 may include, but are not limited to:

239 (a) Requiring approval of the local governmental entity's
240 budget by the Governor or approval of the district school
241 board's budget by the Commissioner of Education.

242 (b) Authorizing a state loan to a local governmental entity
243 and providing for repayment of same.

244 (c) Prohibiting a local governmental entity or district
245 school board from issuing bonds, notes, certificates of
246 indebtedness, or any other form of debt until such time as it is
247 no longer subject to this section.

248 (d) Making such inspections and reviews of records,
249 information, reports, and assets of the local governmental
250 entity or district school board. The appropriate local officials
251 shall cooperate in such inspections and reviews.

252 (e) Consulting with officials and auditors of the local
253 governmental entity or the district school board and the
254 appropriate state officials regarding any steps necessary to
255 bring the books of account, accounting systems, financial
256 procedures, and reports into compliance with state requirements.

257 (f) Providing technical assistance to the local
258 governmental entity or the district school board.

259 (g)1. Establishing a financial emergency board to oversee
260 the activities of the local governmental entity or the district
261 school board. If a financial emergency board is established for

201190e1

262 a local governmental entity, the Governor shall appoint board
263 members and select a chair. If a financial emergency board is
264 established for a district school board, the State Board of
265 Education shall appoint board members and select a chair. The
266 financial emergency board shall adopt such rules as are
267 necessary for conducting board business. The board may:

268 a. Make such reviews of records, reports, and assets of the
269 local governmental entity or the district school board as are
270 needed.

271 b. Consult with officials and auditors of the local
272 governmental entity or the district school board and the
273 appropriate state officials regarding any steps necessary to
274 bring the books of account, accounting systems, financial
275 procedures, and reports of the local governmental entity or the
276 district school board into compliance with state requirements.

277 c. Review the operations, management, efficiency,
278 productivity, and financing of functions and operations of the
279 local governmental entity or the district school board.

280 d. Consult with other governmental entities for the
281 consolidation of all administrative direction and support
282 services, including, but not limited to, services for asset
283 sales, economic and community development, building inspections,
284 parks and recreation, facilities management, engineering and
285 construction, insurance coverage, risk management, planning and
286 zoning, information systems, fleet management, and purchasing.

287 2. The recommendations and reports made by the financial
288 emergency board must be submitted to the Governor for local
289 governmental entities or to the Commissioner of Education and
290 the State Board of Education for district school boards for

201190e1

291 appropriate action.

292 (h) Requiring and approving a plan, to be prepared by
293 officials of the local governmental entity or the district
294 school board in consultation with the appropriate state
295 officials, prescribing actions that will cause the local
296 governmental entity or district school board to no longer be
297 subject to this section. The plan must include, but need not be
298 limited to:

299 1. Provision for payment in full of obligations outlined in
300 subsection (1), designated as priority items, that are currently
301 due or will come due.

302 2. Establishment of priority budgeting or zero-based
303 budgeting in order to eliminate items that are not affordable.

304 3. The prohibition of a level of operations which can be
305 sustained only with nonrecurring revenues.

306 4. Provisions implementing the consolidation, sourcing, or
307 discontinuance of all administrative direction and support
308 services, including, but not limited to, services for asset
309 sales, economic and community development, building inspections,
310 parks and recreation, facilities management, engineering and
311 construction, insurance coverage, risk management, planning and
312 zoning, information systems, fleet management, and purchasing.

313 (4) (a) Upon notification that one or more of the conditions
314 in subsection (1) have occurred or will occur if action is not
315 taken to assist the charter school, the charter school sponsor
316 or the sponsor's designee and the Commissioner of Education
317 shall contact the charter school governing body to determine
318 what actions have been taken by the charter school governing
319 body to resolve or prevent the condition. The Commissioner of

201190e1

320 Education has the authority to require and approve a financial
321 recovery plan, to be prepared by the charter school governing
322 body, prescribing actions that will resolve or prevent the
323 condition.

324 (b) Upon notification that one or more of the conditions in
325 subsection (1) have occurred or will occur if action is not
326 taken to assist the charter technical career center, the charter
327 technical career center sponsor or the sponsor's designee and
328 the Commissioner of Education shall contact the charter
329 technical career center governing body to determine what actions
330 have been taken by the governing body to resolve or prevent the
331 condition. The Commissioner of Education may require and approve
332 a financial recovery plan, to be prepared by the charter
333 technical career center governing body, prescribing actions that
334 will resolve or prevent the condition.

335 (c) The Commissioner of Education shall determine if the
336 charter school or charter technical career center needs a
337 financial recovery plan to resolve the condition. If the
338 Commissioner of Education determines that a financial recovery
339 plan is needed, the charter school or charter technical career
340 center is considered to be in a state of financial emergency.

341
342 The Department of Education, with the involvement of sponsors,
343 charter schools, and charter technical career centers, shall
344 establish guidelines for developing a financial recovery plan.

345 (5) A local governmental entity or district school board
346 may not seek application of laws under the bankruptcy provisions
347 of the United States Constitution except with the prior approval
348 of the Governor for local governmental entities or the

201190e1

349 Commissioner of Education for district school boards.

350 (6) The failure of the members of the governing body of a
351 local governmental entity or the failure of the members of a
352 district school board to resolve a state of financial emergency
353 constitutes malfeasance, misfeasance, and neglect of duty for
354 purposes of s. 7, Art. IV of the State Constitution.

355 Section 4. This act shall take effect July 1, 2011.