

By Senator Bennett

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1                   A bill to be entitled  
2           An act relating to special districts; amending s.  
3           189.4042, F.S.; revising provisions relating to merger  
4           and dissolution procedures for special districts;  
5           providing definitions; requiring the merger or  
6           dissolution of dependent special districts created by  
7           a special act to be effectuated by the Legislature;  
8           providing for the merger or dissolution of inactive  
9           special districts by special act without referenda;  
10          requiring involuntary dissolution procedures for  
11          independent special districts to include referenda;  
12          providing for the dissolution of inactive independent  
13          special districts by special act; providing for local  
14          governments to assume indebtedness of, and receive  
15          title to property owned by, special districts under  
16          certain circumstances; providing for the merger of  
17          certain independent special districts by the  
18          Legislature; providing procedures and requirements for  
19          the voluntary merger of contiguous independent special  
20          districts; limiting the authority of the merged  
21          district to levy and collect revenue until a unified  
22          charter is approved by the Legislature; providing for  
23          the effect of the merger on employees, legal  
24          liabilities, obligations, proceedings, and annexation;  
25          providing for the determination of certain rights by  
26          the governing body of the merged district; providing  
27          that such provisions preempt certain special acts;  
28          providing procedures and requirements for the  
29          involuntary merger of independent special districts;

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30 providing exemptions from merger and dissolution  
31 procedures; amending s. 191.014, F.S.; deleting a  
32 provision relating to the conditions under which the  
33 merger of independent special districts or dependent  
34 fire control districts with other special districts is  
35 effective and the conditions under which a merged  
36 district is authorized to increase ad valorem taxes;  
37 amending s. 189.4044, F.S.; revising criteria by which  
38 special districts are declared inactive by a governing  
39 body; authorizing such districts to be dissolved  
40 without a referendum; providing an effective date.

41  
42 Be It Enacted by the Legislature of the State of Florida:

43  
44 Section 1. Section 189.4042, Florida Statutes, is amended  
45 to read:

46 189.4042 Merger and dissolution procedures.—

47 (1) DEFINITIONS.—As used in this section, the term:

48 (a) "Component independent special district" means an  
49 independent special district that proposes to be merged into a  
50 merged independent district, or an independent special district  
51 as it existed before its merger into the merged independent  
52 district of which it is now a part.

53 (b) "Elector-initiated merger plan" means the merger plan  
54 of two or more independent special districts, a majority of  
55 whose qualified electors have elected to merge, which outlines  
56 the terms and agreements for the official merger of the  
57 districts and is finalized and approved by the governing bodies  
58 of the districts pursuant to this section.

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59        (c) "Governing body" means the governing body of the  
60 independent special district in which the general legislative,  
61 governmental, or public powers of the district are vested and by  
62 authority of which the official business of the district is  
63 conducted.

64        (d) "Initiative" means the filing of a petition containing  
65 a proposal for a referendum to be placed on the ballot for  
66 election.

67        (e) "Joint merger plan" means the merger plan that is  
68 adopted by resolution of the governing bodies of two or more  
69 independent special districts that outlines the terms and  
70 agreements for the official merger of the districts and that is  
71 finalized and approved by the governing bodies pursuant to this  
72 section.

73        (f) "Merged independent district" means a single  
74 independent special district that results from a successful  
75 merger of two or more independent special districts pursuant to  
76 this section.

77        (g) "Merger" means the combination of two or more  
78 contiguous independent special districts resulting in a newly  
79 created merged independent district that assumes jurisdiction  
80 over all of the component independent special districts.

81        (h) "Merger plan" means a written document that contains  
82 the terms, agreements, and information regarding the merger of  
83 two or more independent special districts.

84        (i) "Proposed elector-initiated merger plan" means a  
85 written document that contains the terms and information  
86 regarding the merger of two or more independent special  
87 districts and that accompanies the petition initiated by the

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88 qualified electors of the districts but that is not yet  
89 finalized and approved by the governing bodies of each component  
90 independent special district pursuant to this section.

91 (j) "Proposed joint merger plan" means a written document  
92 that contains the terms and information regarding the merger of  
93 two or more independent special districts and that has been  
94 prepared pursuant to a resolution of the governing bodies of the  
95 districts but that is not yet finalized and approved by the  
96 governing bodies of each component independent special district  
97 pursuant to this section.

98 (k) "Qualified elector" means an individual at least 18  
99 years of age who is a citizen of the United States, a permanent  
100 resident of this state, and a resident of the district who  
101 registers with the supervisor of elections of a county within  
102 which the district lands are located when the registration books  
103 are open.

104 (2) ~~(1)~~ MERGER OR DISSOLUTION OF A DEPENDENT SPECIAL  
105 DISTRICT.—

106 (a) The merger or dissolution of a dependent special  
107 district ~~districts~~ may be effectuated by an ordinance of the  
108 general-purpose local governmental entity wherein the  
109 geographical area of the district or districts is located.  
110 However, a county may not dissolve a special district that is  
111 dependent to a municipality or vice versa, or a dependent  
112 district created by special act.

113 (b) The merger or dissolution of a dependent special  
114 district created and operating pursuant to a special act may be  
115 effectuated only by further act of the Legislature unless  
116 otherwise provided by general law.

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117 (c) A dependent special district that meets any criteria  
118 for being declared inactive, or that has already been declared  
119 inactive, pursuant to s. 189.4044 may be dissolved or merged by  
120 special act without a referendum.

121 (d) ~~(b)~~ A copy of any ordinance and of any changes to a  
122 charter affecting the status or boundaries of one or more  
123 special districts shall be filed with the Special District  
124 Information Program within 30 days after ~~of~~ such activity.

125 (3) ~~(2)~~ DISSOLUTION OF AN INDEPENDENT SPECIAL DISTRICT.—

126 (a) *Voluntary dissolution.*—The voluntary merger or  
127 dissolution of an independent special district ~~or a dependent~~  
128 ~~district~~ created and operating pursuant to a special act may  
129 ~~only~~ be effectuated only by the Legislature unless otherwise  
130 provided by general law.

131 (b) *Involuntary dissolution.*—If a local general-purpose  
132 government seeks to dissolve an active independent special  
133 district created and operating pursuant to a special act whose  
134 governing body objects by resolution to the dissolution, the  
135 dissolution of the active independent special district is not  
136 effective until a special act of the Legislature is approved by  
137 a majority of the resident electors of the district or  
138 landowners voting in the same manner by which the independent  
139 special district's governing body is elected. This paragraph  
140 also applies if an independent special district's governing body  
141 elects to dissolve the district by less than a supermajority  
142 vote of the governing body. The political subdivisions proposing  
143 the involuntary dissolution of an active independent special  
144 district shall be responsible for payment of any expenses  
145 associated with the referendum required under this paragraph.

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146        (c) Inactive independent special districts.—An independent  
147        special district that meets any criteria for being declared  
148        inactive, or that has already been declared inactive, pursuant  
149        to s. 189.4044 may be dissolved by special act without a  
150        referendum. If an inactive independent special district was  
151        created by a county or municipality through a referendum, the  
152        county or municipality that created the district may dissolve  
153        the district after publishing notice as described in s.  
154        189.4044. If an independent special district was created by a  
155        county or municipality by referendum or any other procedure, the  
156        county or municipality that created the district may merge or  
157        dissolve the district pursuant to a referendum or any other the  
158        ~~same~~ procedure by which the independent district was created.  
159        However, if the ~~for any~~ independent special district ~~that~~ has ad  
160        valorem taxation powers, the same procedure required to grant  
161        the ~~such~~ independent district ad valorem taxation powers is  
162        ~~shall also be required to dissolve or merge~~ the district.

163        (d) Debts and assets.—Financial allocations of the assets  
164        and indebtedness of a dissolved independent special district  
165        shall be pursuant to s. 189.4045.

166        (4) LEGISLATIVE MERGER OF INDEPENDENT SPECIAL DISTRICTS.—  
167        The Legislature may merge independent special districts created  
168        and operating pursuant to special act.

169        (5) VOLUNTARY MERGER OF INDEPENDENT SPECIAL DISTRICTS.—Two  
170        or more contiguous independent special districts created by  
171        special act which have similar functions and elected governing  
172        bodies may elect to merge into a single independent district  
173        through the act of merging the component independent special  
174        districts.

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- 175       (a) Initiation.—Merger proceedings may commence by:
- 176           1. A joint resolution of the governing bodies of each
- 177 independent special district which endorses a proposed joint
- 178 merger plan; or
- 179           2. A qualified elector initiative.
- 180       (b) Joint merger plan by resolution.—The governing bodies
- 181 of two or more contiguous independent special districts may, by
- 182 joint resolution, endorse a proposed joint merger plan to
- 183 commence proceedings to merge the districts pursuant to this
- 184 subsection.
- 185           1. The proposed joint merger plan must specify:
- 186           a. The name of each component independent special district
- 187 to be merged;
- 188           b. The name of the proposed merged independent district;
- 189           c. The rights, duties, and obligations of the proposed
- 190 merged independent district;
- 191           d. The territorial boundaries of the proposed merged
- 192 independent district;
- 193           e. The governmental organization of the proposed merged
- 194 independent district insofar as it concerns elected and
- 195 appointed officials and public employees, along with a
- 196 transitional plan and schedule for elections and appointments of
- 197 officials;
- 198           f. A fiscal estimate of the potential cost or savings as a
- 199 result of the merger;
- 200           g. Each component independent special district's assets,
- 201 including, but not limited to, real and personal property, and
- 202 the current value thereof;
- 203           h. Each component independent special district's

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204 liabilities and indebtedness, bonded and otherwise, and the  
205 current value thereof;

206 i. Terms for the assumption and disposition of existing  
207 assets, liabilities, and indebtedness of each component  
208 independent special district jointly, separately, or in defined  
209 proportions;

210 j. Terms for the common administration and uniform  
211 enforcement of existing laws within the proposed merged  
212 independent district;

213 k. The times and places for public hearings on the proposed  
214 joint merger plan;

215 1. The times and places for a referendum in each component  
216 independent special district on the proposed joint merger plan,  
217 along with the referendum language to be presented for approval;  
218 and

219 m. The effective date of the proposed merger.

220 2. The resolution endorsing the proposed joint merger plan  
221 must be approved by a majority vote of the governing bodies of  
222 each component independent special district and adopted at least  
223 60 business days before any general or special election on the  
224 proposed joint merger plan.

225 3. Within 5 business days after the governing bodies  
226 approve the resolution endorsing the proposed joint merger plan,  
227 the governing bodies must:

228 a. Cause a copy of the proposed joint merger plan, along  
229 with a descriptive summary of the plan, to be displayed and be  
230 readily accessible to the public for inspection in at least  
231 three public places within the territorial limits of each  
232 component independent special district, unless a component



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233 independent special district has fewer than three public places,  
234 in which case the plan must be accessible for inspection in all  
235 public places within the component independent special district;

236 b. If applicable, cause the proposed joint merger plan,  
237 along with a descriptive summary of the plan and a reference to  
238 the public places within each component independent special  
239 district where a copy of the merger plan may be examined, to be  
240 displayed on a website maintained by each district or on a  
241 website maintained by the county or municipality in which the  
242 districts are located; and

243 c. Arrange for a descriptive summary of the proposed joint  
244 merger plan, and a reference to the public places within the  
245 district where a copy may be examined, to be published in a  
246 newspaper of general circulation within the component  
247 independent special districts at least once each week for 4  
248 successive weeks.

249 4. The governing body of each component independent special  
250 district shall set a time and place for one or more public  
251 hearings on the proposed joint merger plan. Each public hearing  
252 shall be held on a weekday at least 7 business days after the  
253 day the first advertisement is published on the proposed joint  
254 merger plan. The hearing or hearings may be held jointly or  
255 separately by the governing bodies of the component independent  
256 special districts. Any interested person residing in the  
257 respective district shall be given a reasonable opportunity to  
258 be heard on any aspect of the proposed merger at the public  
259 hearing.

260 a. Notice of the public hearing addressing the resolution  
261 for the proposed joint merger plan must be published pursuant to

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262 the notice requirements in s. 189.417 and must provide a  
263 descriptive summary of the proposed joint merger plan and a  
264 reference to the public places within the component independent  
265 special districts where a copy of the plan may be examined.

266 b. After the final public hearing, the governing bodies of  
267 each component independent special district may amend the  
268 proposed joint merger plan if the amended version complies with  
269 the notice and public hearing requirements provided in this  
270 subsection. Thereafter, the governing bodies may approve a final  
271 version of the joint merger plan or decline to proceed further  
272 with the merger. Approval by the governing bodies of the final  
273 version of the joint merger plan must occur within 60 business  
274 days after the final hearing.

275 5. After the final public hearing, the governing bodies  
276 shall notify the supervisors of elections of the applicable  
277 counties in which district lands are located of the adoption of  
278 the resolution by each governing body. The supervisors of  
279 elections shall schedule a separate referendum for each  
280 component independent special district. The referenda may be  
281 held in each district on the same day, or on different days, but  
282 no more than 20 days apart.

283 a. Notice of a referendum on the merger of independent  
284 special districts must be provided pursuant to the notice  
285 requirements in s. 100.342. At a minimum, the notice must  
286 include:

287 (I) A brief summary of the resolution and joint merger  
288 plan;

289 (II) A statement as to where a copy of the resolution and  
290 joint merger plan may be examined;

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291 (III) The names of the component independent special  
 292 districts to be merged and a description of their territory;

293 (IV) The times and places at which the referendum will be  
 294 held; and

295 (V) Such other matters as may be necessary to call, provide  
 296 for, and give notice of the referendum and to provide for the  
 297 conduct thereof and the canvass of the returns.

298 b. The referenda must be held in accordance with the  
 299 Florida Election Code and may be held pursuant to ss. 101.6101-  
 300 101.6107. All costs associated with the referenda shall be borne  
 301 by the respective component independent special district.

302 c. The ballot question in such referendum placed before the  
 303 qualified electors of each component independent special  
 304 district to be merged must be in substantially the following  
 305 form:

307 "Shall (...name of component independent special  
 308 district...) and (...name of component independent special  
 309 district or districts...) be merged into (...name of newly  
 310 merged independent district...)?

311       YES

312       NO"

314 d. If the component independent special districts proposing  
 315 to merge have disparate millage rates, the ballot question in  
 316 the referendum placed before the qualified electors of each  
 317 component independent special district must be in substantially  
 318 the following form:

319

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320 "Shall (...name of component independent special  
321 district...) and (...name of component independent special  
322 district or districts...) be merged into (...name of newly  
323 merged independent district...) if the voter-approved maximum  
324 millage rate within each independent special district will not  
325 increase absent a subsequent referendum?

326 YES

327 NO"

328  
329 e. In any referendum held pursuant to this paragraph, the  
330 ballots shall be counted, returns made and canvassed, and  
331 results certified in the same manner as other elections or  
332 referenda for the component independent special districts.

333 f. The merger may not take effect unless a majority of the  
334 votes cast in each component independent special district are in  
335 favor of the merger. If one of the component districts does not  
336 obtain a majority vote, the referendum fails, and merger does  
337 not take effect.

338 g. If the merger is approved by a majority of the votes  
339 cast in each component independent special district, the merged  
340 independent district is created. Upon approval, the merged  
341 independent district shall notify the Special District  
342 Information Program pursuant to s. 189.418(2) and the local  
343 general-purpose governments in which any part of the component  
344 independent special districts is situated pursuant to s.  
345 189.418(7).

346 h. If the referendum fails, the merger process under this  
347 paragraph may not be initiated for the same purpose within 2  
348 years after the date of the referendum.

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349 6. Component independent special districts merged pursuant  
350 to a joint merger plan by resolution shall continue to be  
351 governed as before the merger until the effective date specified  
352 in the adopted joint merger plan.

353 (c) Qualified elector-initiated merger plan.—The qualified  
354 electors of two or more contiguous independent special districts  
355 may commence a merger proceeding by each filing a petition with  
356 the governing body of their respective independent special  
357 district proposing to be merged. The petition must contain the  
358 signatures of at least 40 percent of the qualified electors of  
359 each component independent special district and must be  
360 submitted to the appropriate component independent special  
361 district governing body no later than 1 year after the start of  
362 the qualified elector-initiated merger process.

363 1. The petition must comply with, and be circulated in, the  
364 following form:

365  
366 PETITION FOR INDEPENDENT SPECIAL DISTRICT MERGER

367  
368 We, the undersigned electors and legal voters of (...name  
369 of independent special district...), qualified to vote at the  
370 next general or special election, respectfully petition that  
371 there be submitted to the electors and legal voters of (...name  
372 of independent special district or districts proposed to be  
373 merged...), for their approval or rejection at a referendum held  
374 for that purpose, a proposal to merge (...name of component  
375 independent special district...) and (...name of component  
376 independent special district or districts...).

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378 In witness thereof, we have signed our names on the date  
 379 indicated next to our signatures.

380  
 381 Date Name (print under signature) Home Address  
 382 \_\_\_\_\_  
 383 \_\_\_\_\_

384  
 385 2. The petition must be validated by a signed statement by  
 386 a witness who is a duly qualified elector of one of the  
 387 component independent special districts, a notary public, or  
 388 another person authorized to take acknowledgements.

389 a. A statement that is signed by a witness who is a duly  
 390 qualified elector of the respective district shall be accepted  
 391 for all purposes as the equivalent of an affidavit. Such  
 392 statement must be in substantially the following form:

393  
 394 "I, (...name of witness...), state that I am a duly  
 395 qualified voter of (...name of independent special district...).  
 396 Each of the (...insert number...) persons who have signed this  
 397 petition sheet has signed his or her name in my presence on the  
 398 dates indicated above and identified himself or herself to be  
 399 the same person who signed the sheet. I understand that this  
 400 statement will be accepted for all purposes as the equivalent of  
 401 an affidavit and, if it contains a materially false statement,  
 402 shall subject me to the penalties of perjury."

403  
 404 Date Signature of Witness

405  
 406 b. A statement that is signed by a notary public or another

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407 person authorized to take acknowledgements must be in  
408 substantially the following form:

409  
410 "On the date indicated above before me personally came each  
411 of the (...insert number...) electors and legal voters whose  
412 signatures appear on this petition sheet, who signed the  
413 petition in my presence and who, being by me duly sworn, each  
414 for himself or herself, identified himself or herself as the  
415 same person who signed the petition, and I declare that the  
416 foregoing information they provided was true."

417  
418 Date Signature of Witness

419  
420 c. An alteration or correction of information appearing on  
421 a petition's signature line, other than an uninitialed signature  
422 and date, does not invalidate such signature. In matters of  
423 form, this paragraph shall be liberally construed, not  
424 inconsistent with substantial compliance thereto and the  
425 prevention of fraud.

426 d. The appropriately signed petition must be filed with the  
427 governing body of each component independent special district.  
428 The petition must be submitted to the supervisors of elections  
429 of the counties in which the district lands are located. The  
430 supervisors shall, within 30 business days after receipt of the  
431 petitions, certify to the governing bodies the number of  
432 signatures of qualified electors contained on the petitions.

433 3. Upon verification by the supervisors of elections of the  
434 counties within which component independent special district  
435 lands are located that 40 percent of the qualified electors have

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436 petitioned for merger and that all such petitions have been  
437 executed within 1 year after the date of the initiation of the  
438 qualified-electror merger process, the governing bodies of each  
439 component independent special district shall meet within 30  
440 business days to prepare and approve by resolution a proposed  
441 elector-initiated merger plan. The proposed plan must include:  
442 a. The name of each component independent special district  
443 to be merged;  
444 b. The name of the proposed merged independent district;  
445 c. The rights, duties, and obligations of the merged  
446 independent district;  
447 d. The territorial boundaries of the proposed merged  
448 independent district;  
449 e. The governmental organization of the proposed merged  
450 independent district insofar as it concerns elected and  
451 appointed officials and public employees, along with a  
452 transitional plan and schedule for elections and appointments of  
453 officials;  
454 f. A fiscal estimate of the potential cost or savings as a  
455 result of the merger;  
456 g. Each component independent special district's assets,  
457 including, but not limited to, real and personal property, and  
458 the current value thereof;  
459 h. Each component independent special district's  
460 liabilities and indebtedness, bonded and otherwise, and the  
461 current value thereof;  
462 i. Terms for the assumption and disposition of existing  
463 assets, liabilities, and indebtedness of each component  
464 independent special district, jointly, separately, or in defined



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465 proportions;

466 j. Terms for the common administration and uniform  
467 enforcement of existing laws within the proposed merged  
468 independent district;

469 k. The times and places for public hearings on the proposed  
470 joint merger plan; and

471 1. The effective date of the proposed merger.

472 4. The resolution endorsing the proposed elector-initiated  
473 merger plan must be approved by a majority vote of the governing  
474 bodies of each component independent special district and must  
475 be adopted at least 60 business days before any general or  
476 special election on the proposed elector-initiated plan.

477 5. Within 5 business days after the governing bodies of  
478 each component independent special district approve the proposed  
479 elector-initiated merger plan, the governing bodies shall:

480 a. Cause a copy of the proposed elector-initiated merger  
481 plan, along with a descriptive summary of the plan, to be  
482 displayed and be readily accessible to the public for inspection  
483 in at least three public places within the territorial limits of  
484 each component independent special district, unless a component  
485 independent special district has fewer than three public places,  
486 in which case the plan must be accessible for inspection in all  
487 public places within the component independent special district;

488 b. If applicable, cause the proposed elector-initiated  
489 merger plan, along with a descriptive summary of the plan and a  
490 reference to the public places within each component independent  
491 special district where a copy of the merger plan may be  
492 examined, to be displayed on a website maintained by each  
493 district or otherwise on a website maintained by the county or

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494 municipality in which the districts are located; and

495 c. Arrange for a descriptive summary of the proposed  
496 elector-initiated merger plan, and a reference to the public  
497 places within the district where a copy may be examined, to be  
498 published in a newspaper of general circulation within the  
499 component independent special districts at least once each week  
500 for 4 successive weeks.

501 6. The governing body of each component independent special  
502 district shall set a time and place for one or more public  
503 hearings on the proposed elector-initiated merger plan. Each  
504 public hearing shall be held on a weekday at least 7 business  
505 days after the day the first advertisement is published on the  
506 proposed elector-initiated merger plan. The hearing or hearings  
507 may be held jointly or separately by the governing bodies of the  
508 component independent special districts. Any interested person  
509 residing in the respective district shall be given a reasonable  
510 opportunity to be heard on any aspect of the proposed merger at  
511 the public hearing.

512 a. Notice of the public hearing on the proposed elector-  
513 initiated merger plan must be published pursuant to the notice  
514 requirements in s. 189.417 and must provide a descriptive  
515 summary of the elector-initiated merger plan and a reference to  
516 the public places within the component independent special  
517 districts where a copy of the plan may be examined.

518 b. After the final public hearing, the governing bodies of  
519 each component independent special district may amend the  
520 proposed elector-initiated merger plan if the amended version  
521 complies with the notice and public hearing requirements  
522 provided in this subsection. The governing bodies must approve a

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523 final version of the merger plan within 60 business days after  
524 the final hearing.

525 7. After the final public hearing, the governing bodies  
526 shall notify the supervisors of elections of the applicable  
527 counties in which district lands are located of the adoption of  
528 the resolution by each governing body. The supervisors of  
529 elections shall schedule a date for the separate referenda for  
530 each district. The referenda may be held in each district on the  
531 same day, or on different days, but no more than 20 days apart.

532 a. Notice of a referendum on the merger of the component  
533 independent special districts must be provided pursuant to the  
534 notice requirements in s. 100.342. At a minimum, the notice must  
535 include:

536 (I) A brief summary of the resolution and elector-initiated  
537 merger plan;

538 (II) A statement as to where a copy of the resolution and  
539 petition for merger may be examined;

540 (III) The names of the component independent special  
541 districts to be merged and a description of their territory;

542 (IV) The times and places at which the referendum will be  
543 held; and

544 (V) Such other matters as may be necessary to call, provide  
545 for, and give notice of the referendum and to provide for the  
546 conduct thereof and the canvass of the returns.

547 b. The referenda must be held in accordance with the  
548 Florida Election Code and may be held pursuant to ss. 101.6101-  
549 101.6107. All costs associated with the referenda shall be borne  
550 by the respective component independent special district.

551 c. The ballot question in such referendum placed before the

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552 qualified electors of each component independent special  
553 district to be merged must be in substantially the following  
554 form:

555  
556 "Shall (...name of component independent special  
557 district...) and (...name of component independent special  
558 district or districts...) be merged into (...name of newly  
559 merged independent district...)?

560        YES

561        NO"

562  
563 d. If the component independent special districts proposing  
564 to merge have disparate millage rates, the ballot question in  
565 the referendum placed before the qualified electors of each  
566 component independent special district must be in substantially  
567 the following form:

568  
569 "Shall (...name of component independent special  
570 district...) and (...name of component independent special  
571 district or districts...) be merged into (...name of newly  
572 merged independent district...) if the voter-approved maximum  
573 millage rate within each independent special district will not  
574 increase absent a subsequent referendum?

575        YES

576        NO"

577  
578 e. In any referendum held pursuant to this paragraph, the  
579 ballots shall be counted, returns made and canvassed, and  
580 results certified in the same manner as other elections or

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581 referenda for the component independent special districts.

582 f. The merger may not take effect unless a majority of the  
583 votes cast in each component independent special district are in  
584 favor of the merger. If one of the component independent special  
585 districts does not obtain a majority vote, the referendum fails,  
586 and merger does not take effect.

587 g. If the merger is approved by a majority of the votes  
588 cast in each component independent special district, the merged  
589 district shall notify the Special District Information Program  
590 pursuant to s. 189.418(2) and the local general-purpose  
591 governments in which any part of the component independent  
592 special districts is situated pursuant to s. 189.418(7).

593 h. If the referendum fails, the merger process under this  
594 paragraph may not be initiated for the same purpose within 2  
595 years after the date of the referendum.

596 8. Component independent special districts merged pursuant  
597 to an elector-initiated merger plan shall continue to be  
598 governed as before the merger until the effective date specified  
599 in the adopted elector-initiated merger plan.

600 (d) Effective date.—The effective date of the merger shall  
601 be as provided in the joint merger plan or elector-initiated  
602 merger plan, as appropriate, and is not contingent upon the  
603 future act of the Legislature.

604 1. However, as soon as practicable, the merged independent  
605 district shall, at its own expense, submit a unified charter for  
606 the merged district to the Legislature for approval. The unified  
607 charter must make the powers of the district consistent within  
608 the merged independent district and repeal the special acts of  
609 the districts which existed before the merger.

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610 2. Within 30 business days after the effective date of the  
611 merger, the merged independent district's governing body, as  
612 indicated in this subsection, shall hold an organizational  
613 meeting to implement the provisions of the joint merger plan or  
614 elector-initiated merger plan, as appropriate.

615 (e) Restrictions during transition period.—Until the  
616 Legislature formally approves the unified charter pursuant to a  
617 special act, each component independent special district is  
618 considered a subunit of the merged independent district subject  
619 to the following restrictions:

620 1. During the transition period, the merged independent  
621 district is limited in its powers and financing capabilities  
622 within each subunit to those powers which existed within the  
623 boundaries of each subunit and which were previously granted to  
624 the component independent special district in its existing  
625 charter before the merger. The merged independent district may  
626 not, solely by reason of the merger, increase its powers or  
627 financing capability.

628 2. During the transition period, the merged independent  
629 district shall exercise only the legislative authority to levy  
630 and collect revenues within the boundaries of each subunit which  
631 was previously granted to the component independent special  
632 district by its existing charter before the merger, including  
633 the authority to levy ad valorem taxes, non-ad valorem  
634 assessments, impact fees, and charges.

635 a. The merged independent district may not, solely by  
636 reason of the merger, increase ad valorem taxes on property  
637 within the original limits of a subunit beyond the maximum ad  
638 valorem rate approved by the electors of the component

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639 independent special district. For purposes of s. 2, Art. VII of  
640 the State Constitution, each subunit may be considered a  
641 separate taxing unit. The merged independent district may levy  
642 an ad valorem millage rate within a subunit, if applicable, only  
643 up to the millage rate that was previously approved by the  
644 electors of the component independent special district unless an  
645 increase in the millage rate is approved pursuant to general  
646 law.

647 b. The merged independent district may not, solely by  
648 reason of the merger, charge non-ad valorem assessments, impact  
649 fees, or other new fees within a subunit which were not  
650 otherwise previously authorized to be charged.

651 3. During the transition period, each component independent  
652 special district of the merged independent district must  
653 continue to file all information and reports required under this  
654 chapter as subunits until the Legislature formally approves the  
655 unified charter pursuant to a special act.

656 4. The intent of this section is to preserve and transfer  
657 to the merged independent district all authority that exists  
658 within each subunit and was previously granted by the  
659 Legislature and, if applicable, by referendum.

660 (f) *Effect of merger, generally.*—On and after the effective  
661 date of the merger, the merged independent district shall be  
662 treated and considered for all purposes as one entity under the  
663 name and on the terms and conditions set forth in the joint  
664 merger plan or elector-initiated merger plan, as appropriate.

665 1. All rights, privileges, and franchises of each component  
666 independent special district and all assets, real and personal  
667 property, books, records, papers, seals, and equipment, as well

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668 as other things in action, belonging to each component  
669 independent special district before the merger shall be deemed  
670 as transferred to and vested in the merged independent district  
671 without further act or deed.

672 2. All property, rights-of-way, and other interests are as  
673 effectually the property of the merged independent district as  
674 they were of the component independent special district before  
675 the merger. The title to real estate, by deed or otherwise,  
676 under the laws of this state vested in any component independent  
677 special district before the merger may not be deemed to revert  
678 or be in any way impaired by reason of the merger.

679 3. The merged independent district is in all respects  
680 subject to all obligations and liabilities imposed and possesses  
681 all the rights, powers, and privileges vested by law in other  
682 similar entities.

683 4. Upon the effective date of the merger, the joint merger  
684 plan or elector-initiated merger plan, as appropriate, is  
685 subordinate in all respects to the contract rights of all  
686 holders of any securities or obligations of the component  
687 independent special districts outstanding at the effective date  
688 of the merger.

689 5. The new registration of electors is not necessary as a  
690 result of the merger, but all elector registrations of the  
691 component independent special districts shall be transferred to  
692 the proper registration books of the merged independent  
693 district, and new registrations shall be made as provided by law  
694 as if no merger had taken place.

695 (g) Governing body of merged independent district.—

696 1. From the effective date of the merger until the next



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697 general election, the governing body of the merged independent  
698 district shall be comprised of the governing body members of  
699 each component independent special district, with such members  
700 serving until the governing body members elected at the next  
701 general election take office.

702 2. Beginning with the next general election following the  
703 effective date of merger, the governing body of the merged  
704 independent district shall be comprised of five members. The  
705 office of each governing body member shall be designated by  
706 seat, which shall be distinguished from other body member seats  
707 by an assigned numeral: 1, 2, 3, 4, or 5. The governing body  
708 members that are elected in this initial election following the  
709 merger shall serve unequal terms of 2 and 4 years in order to  
710 create staggered membership of the governing body, with:

711 a. Member seats 1, 3, and 5 being designated for 4-year  
712 terms; and

713 b. Member seats 2 and 4 being designated for 2-year terms.

714 3. In general elections thereafter, all governing body  
715 members shall serve 4-year terms.

716 (h) Effect on employees.—Except as otherwise provided by  
717 law and except for those officials and employees protected by  
718 tenure of office, civil service provisions, or a collective  
719 bargaining agreement, upon the effective date of merger, all  
720 appointive offices and positions existing in all component  
721 independent special districts involved in the merger are subject  
722 to the terms of the joint merger plan or elector-initiated  
723 merger plan, as appropriate. Such plan may provide for instances  
724 in which there are duplications of positions and for other  
725 matters such as varying lengths of employee contracts, varying

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726 pay levels or benefits, different civil service regulations in  
727 the constituent entities, and differing ranks and position  
728 classifications for similar positions. For those employees who  
729 are members of a bargaining unit certified by the Public  
730 Employees Relations Commission, the requirements of chapter 447  
731 apply.

732 (i) Effect on debts, liabilities, and obligations.—

733 1. All valid and lawful debts and liabilities existing  
734 against a merged independent district, or which may arise or  
735 accrue against the merged independent district, which but for  
736 merger would be valid and lawful debts or liabilities against  
737 one or more of the component independent special districts, are  
738 debts against or liabilities of the merged independent district  
739 and accordingly shall be defrayed and answered to by the merged  
740 independent district to the same extent, and no further than,  
741 the component independent special districts would have been  
742 bound if a merger had not taken place.

743 2. The rights of creditors and all liens upon the property  
744 of any of the component independent special districts shall be  
745 preserved unimpaired. The respective component districts shall  
746 be deemed to continue in existence to preserve such rights and  
747 liens, and all debts, liabilities, and duties of any of the  
748 component districts attach to the merged independent district.

749 3. All bonds, contracts, and obligations of the component  
750 independent special districts which exist as legal obligations  
751 are obligations of the merged independent district, and all such  
752 obligations shall be issued or entered into by and in the name  
753 of the merged independent district.

754 (j) Effect on actions and proceedings.—In any action or

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755 proceeding pending on the effective date of merger to which a  
756 component independent special district is a party, the merged  
757 independent district may be substituted in its place, and the  
758 action or proceeding may be prosecuted to judgment as if merger  
759 had not taken place. Suits may be brought and maintained against  
760 a merged independent district in any state court in the same  
761 manner as against any other independent special district.

762 (k) Effect on annexation.—Chapter 171 continues to apply to  
763 all annexations by a city within the component independent  
764 special districts' boundaries after merger occurs. Any moneys  
765 owed to a component independent special district pursuant to s.  
766 171.093, or any interlocal service boundary agreement as a  
767 result of annexation predating the merger, shall be paid to the  
768 merged independent district after merger.

769 (l) Determination of rights.—If any right, title, interest,  
770 or claim arises out of a merger or by reason thereof which is  
771 not determinable by reference to this subsection, the joint  
772 merger plan or elector-initiated merger plan, as appropriate, or  
773 otherwise under the laws of this state, the governing body of  
774 the merged independent district may provide therefor in a manner  
775 conforming to law.

776 (m) Exemption.—This subsection does not apply to  
777 independent special districts whose governing bodies are elected  
778 by district landowners voting the acreage owned within the  
779 district.

780 (n) Preemption.—This subsection preempts any special act to  
781 the contrary.

782 (6) INVOLUNTARY MERGER OF INDEPENDENT SPECIAL DISTRICTS.—If  
783 a local general-purpose government seeks to merge an active

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784 independent special district or districts created and operating  
785 pursuant to a special act whose governing body or governing  
786 bodies object by resolution to the merger, the merger of the  
787 active independent special district or districts is not  
788 effective until the special act of the Legislature is approved  
789 at separate referenda of the impacted local governments by a  
790 majority of the resident electors or landowners voting in the  
791 same manner by which each independent special district's  
792 governing body is elected. The special act shall include a plan  
793 of merger that addresses transition issues such as the effective  
794 date of the merger, governance, administration, powers,  
795 pensions, and assumption of all assets and liabilities.

796 (a) The political subdivisions proposing the involuntary  
797 merger of an active independent special district shall be  
798 responsible for payment of any expenses associated with the  
799 referendum required under this subsection.

800 (b) An independent special district that meets any criteria  
801 for being declared inactive, or that has already been declared  
802 inactive, pursuant to s. 189.4044 may be merged by special act  
803 without a referendum.

804 (7) (3) EXEMPTIONS. The provisions of This section does  
805 shall not apply to community development districts implemented  
806 pursuant to chapter 190 or to water management districts created  
807 and operated pursuant to chapter 373.

808 Section 2. Section 191.014, Florida Statutes, is amended to  
809 read:

810 191.014 District creation and, ~~expansion, and merger.~~

811 (1) New districts may be created only by the Legislature  
812 under s. 189.404.

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813 (2) The boundaries of a district may be modified, extended,  
814 or enlarged upon approval or ratification by the Legislature.

815 ~~(3) The merger of a district with all or portions of other~~  
816 ~~independent special districts or dependent fire control~~  
817 ~~districts is effective only upon ratification by the~~  
818 ~~Legislature. A district may not, solely by reason of a merger~~  
819 ~~with another governmental entity, increase ad valorem taxes on~~  
820 ~~property within the original limits of the district beyond the~~  
821 ~~maximum established by the district's enabling legislation,~~  
822 ~~unless approved by the electors of the district by referendum.~~

823 Section 3. Paragraph (a) of subsection (1) and subsection  
824 (4) of section 189.4044, Florida Statutes, are amended to read:

825 189.4044 Special procedures for inactive districts.—

826 (1) The department shall declare inactive any special  
827 district in this state by documenting that:

828 (a) The special district meets one of the following  
829 criteria:

830 1. The registered agent of the district, the chair of the  
831 governing body of the district, or the governing body of the  
832 appropriate local general-purpose government notifies the  
833 department in writing that the district has taken no action for  
834 2 or more years;

835 2. Following an inquiry from the department, the registered  
836 agent of the district, the chair of the governing body of the  
837 district, or the governing body of the appropriate local  
838 general-purpose government notifies the department in writing  
839 that the district has not had a governing board or a sufficient  
840 number of governing board members to constitute a quorum for 2  
841 or more years or the registered agent of the district, the chair

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842 of the governing body of the district, or the governing body of  
843 the appropriate local general-purpose government fails to  
844 respond to the department's inquiry within 21 days;

845 3. The department determines, pursuant to s. 189.421, that  
846 the district has failed to file any of the reports listed in s.  
847 189.419; ~~or~~

848 4. The district has not had a registered office and agent  
849 on file with the department for 1 or more years; or

850 5. The governing body of a special district provides  
851 documentation to the department that it has unanimously adopted  
852 a resolution declaring the special district inactive. The  
853 special district shall be responsible for payment of any  
854 expenses associated with its dissolution.

855 (4) The entity that created a special district declared  
856 inactive under this section must dissolve the special district  
857 by repealing its enabling laws or by other appropriate means.  
858 Any special district declared inactive pursuant to subparagraph  
859 (1)(a)5. may be dissolved without a referendum.

860 Section 4. This act shall take effect July 1, 2012.