By Senator Hutson

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A bill to be entitled An act relating to special districts; repealing s. 163.3756, F.S., relating to inactive community redevelopment agencies; amending s. 163.504, F.S.; prohibiting the creation of new safe neighborhood improvement districts after a date certain; repealing s. 165.0615, F.S., relating to municipal conversion of independent special districts upon an electorinitiated and approved referendum; creating s. 189.0312, F.S.; providing term limits for elected members of governing bodies of independent special districts; providing an exception; providing construction; creating s. 189.0313, F.S.; requiring continuation of independent special districts that levy ad valorem taxes; providing procedures in the event a certain ballot question is approved by voters; providing procedures in the event the ballot question is not approved by voters; requiring the governing body of the district to adopt a dissolution plan within a certain timeframe and to post such dissolution plan in the specified manner; providing the ballot question; providing applicability; amending s. 189.062, F.S.; providing additional criteria for declaring a special district inactive; providing exceptions; requiring certain special districts to provide notice of a proposed declaration of inactive status to the county or municipality under certain circumstances; revising the time period for filing an objection to a proposed declaration; authorizing a

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specific objection; providing that a district declared inactive may only expend funds as necessary to service outstanding debt; making technical changes; creating s. 189.0694, F.S.; requiring special districts to establish performance measures to assess performance; requiring special districts to publish an annual report; providing requirements for the report; amending s. 189.0695, F.S.; requiring the Office of Program Policy Analysis and Government Accountability to annually conduct performance reviews of safe neighborhood improvement districts; amending s. 189.016, F.S.; requiring certain independent special districts to file reports and information to specified entities; amending s. 190.005, F.S.; requiring that a petition for creation of a community development district contain specified information; making technical changes; amending s. 191.013, F.S.; requiring independent special fire control districts to report annually, by a specified date, information regarding the completion of required trainings and the receipt of required certifications by certain firefighters to the Division of State Fire Marshal; amending s. 388.271, F.S.; requiring, instead of authorizing, special districts to file tentative work plans and work plan budgets at specified intervals; requiring the Department of Agriculture and Consumer Services to report to the Department of Commerce if certain special districts fail to submit specified information; making technical changes; amending s.

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388.46, F.S.; requiring the Florida Coordinating Council on Mosquito Control to establish, by a specified date, model measures to assist districts in conducting performance monitoring; providing an effective date.

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

Section 1. <u>Section 163.3756</u>, Florida Statutes, is repealed. Section 2. Section 163.504, Florida Statutes, is amended to read:

163.504 Safe neighborhood improvement districts; formation authorized by ordinance; jurisdictional boundaries; prohibition on future creation.—

- (1) The governing body of any municipality or county may authorize the formation of safe neighborhood improvement districts through the adoption of a planning ordinance which specifies that such districts may be created by one or more of the methods established in ss. 163.506, 163.508, 163.511, and 163.512. No district may overlap the jurisdictional boundaries of a municipality and the unincorporated area of a county, except by interlocal agreement.
- (2) A safe neighborhood improvement district may not be created on or after July 1, 2024. A safe neighborhood improvement district in existence before July 1, 2024, may continue to operate as provided in this part.
- Section 3. <u>Section 165.0615</u>, <u>Florida Statutes</u>, <u>is repealed</u>. Section 4. Section 189.0312, Florida Statutes, is created to read:

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189.0312 Term of office.

- (1) A member of an elected governing body of an independent special district may not serve for more than 12 consecutive years, unless the district's charter provides for more restrictive terms of office. Service of a term of office that commenced before November 5, 2024, does not count toward the limitation imposed by this subsection.
- (2) This section does not apply to a community development district established under chapter 190 or an independent special district created pursuant to a special act that provides that any amendment to chapter 190 to grant additional powers constitutes a power of the district.
- (3) This section does not require an independent special district governed by an appointed governing body to convert to an elected governing body.
- Section 5. Section 189.0313, Florida Statutes, is created to read:
- 189.0313 Independent special districts with ad valorem taxing powers; voter reauthorization.—
- (1) The governing body of each independent special district that exercises ad valorem taxing powers created:
- (a) Before January 1, 2018, shall conduct a referendum to be held in conjunction with the general election held on November 3, 2026, containing the ballot question described in subsection (3).
- (b) On or after January 1, 2018, shall conduct a referendum to be held in conjunction with the next general election held 10 years after the creation date of the district containing the ballot question in subsection (3).

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(2) (a) If a majority of the qualified electors voting in the referendum approves the continuation of the independent special district, the governing body of the special district must conduct another referendum containing the ballot question in subsection (3) held in conjunction with the general election every 10 years thereafter until such time as the continuation of the independent special district is no longer approved by a majority vote of the qualified electors voting in the referendum.

(b) If a majority of the qualified electors does not approve the continuation of the independent special district, the governing body of the district may not incur any additional obligations or indebtedness, including the issuance of new bonds or extending the maturity date of any outstanding bonds, other than expenses incurred in the ordinary course of business. Within 90 days after the date of such referendum, the governing body of the district shall, by resolution, adopt a dissolution plan that includes provisions for liquidating all of the district's assets, satisfying all of the district's obligations and indebtedness, ensuring the continuity of public services provided by the district, and providing a date on which the district will terminate its operations. The resolution must be considered at a public meeting held specifically to consider the dissolution plan which is not a regularly scheduled or emergency meeting of the governing body of the independent special district. The proposed dissolution plan must be posted on the district's official website at least 2 days before the meeting. The adopted dissolution plan must be posted on the independent special district's official website within 30 days after

7-01329B-24 20241058 146 adoption and must remain on the website. The governing body of the district shall submit its dissolution plan to the local 147 governing authority or authorities and to the department within 148 149 30 days after adoption. 150 (3) A referendum called pursuant to this section must 151 contain a ballot question in substantially the following form: 152 153 Should the independent special district known as the 154 (name of district), which has the authority to levy 155 each year an ad valorem tax not to exceed (maximum 156 millage approved by the voters) to fund (type of 157 service provided by district), be continued for 158 another 10 years? YES 159 160 NO 161 162 (4) This section does not apply to a community development 163 district established pursuant to chapter 190, a water management 164 district created and operated pursuant to chapter 373, an inland 165 navigation district established pursuant to chapter 374, or an 166 independent special district created pursuant to a special act 167 that provides that any amendment to chapter 190 to grant 168 additional powers constitutes a power of that district. 169 Section 6. Subsections (1) and (2) of section 189.062, 170 Florida Statutes, are amended to read: 171 189.062 Special procedures for inactive districts. 172 (1) The department shall declare inactive any special 173 district in this state by documenting that:

(a) The special district meets one of the following

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criteria:

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

- 2. The registered agent of the district, the chair of the governing body of the district, or the governing body of the appropriate local general-purpose government notifies the department in writing that the district has not had a governing body or a sufficient number of governing body members to constitute a quorum for 2 or more years;
- 3. The registered agent of the district, the chair of the governing body of the district, or the governing body of the appropriate local general-purpose government fails to respond to an inquiry by the department within 21 days;
- 4. The department determines, pursuant to s. 189.067, that the district has failed to file any of the reports listed in s. 189.066:
- 5. The district has not had a registered office and agent on file with the department for 1 or more years; $\frac{\partial \mathbf{r}}{\partial t}$
- 6. The governing body of a special district provides documentation to the department that it has unanimously adopted a resolution declaring the special district inactive. The special district is responsible for payment of any expenses associated with its dissolution;
- 7. The district is an independent special district or a community redevelopment district created under part III of chapter 163 which has reported no revenue, no expenditures, and

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no debt under s. 189.016(9) or s. 218.32 for at least 5 consecutive fiscal years beginning no earlier than October 1, 2018. This subparagraph does not apply to a community development district established under chapter 190 or to any independent special district operating pursuant to a special act that provides that any amendment to chapter 190 to grant additional powers constitutes a power of that district;

- 8. The district has unresolved audit findings for three consecutive annual financial audit reports performed pursuant to s. 218.39; or
- 9. For a mosquito control district created pursuant to chapter 388, the department has received notice from the Department of Agriculture and Consumer Services that the district has failed to file a tentative work plan and tentative detailed work plan budget as required by s. 388.271.
- (b) The department, special district, or local general-purpose government has published a notice of proposed declaration of inactive status in a newspaper of general circulation in the county or municipality in which the territory of the special district is located and has sent a copy of such notice by certified mail to the registered agent or chair of the governing body, if any. If the special district is a dependent special district with a governing body that is not identical to the governing body of a single county or a single municipality, a copy of such notice must also be sent by certified mail to the governing body of the county or municipality on which the district is dependent. Such notice must include the name of the special district, the law under which it was organized and operating, a general description of the territory included in

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the special district, and a statement that any objections must be filed pursuant to chapter 120 within 30 21 days after the publication date. The objections may include that the special district has outstanding debt obligations that are not included in reports required under s. 189.016(9) or s. 218.32.

- (c) Thirty Twenty-one days have elapsed from the publication date of the notice of proposed declaration of inactive status and no administrative appeals were filed.
- (2) If any special district is declared inactive pursuant to this section, the <u>district may only expend funds as necessary to service outstanding debt. The property or assets of the special district are subject to legal process for payment of any debts of the district. After the payment of all the debts of said inactive special district, the remainder of its property or assets <u>must shall</u> escheat to the county or municipality wherein located. If, however, it <u>is shall be</u> necessary, in order to pay any such debt, to levy any tax or taxes on the property in the territory or limits of the inactive special district, the same may be assessed and levied by order of the local general-purpose government wherein the same is situated and shall be assessed by the county property appraiser and collected by the county tax collector.</u>

Section 7. Section 189.0694, Florida Statutes, is created to read:

 $\underline{189.0694}$ Special districts; performance measures and standards.—

(1) Beginning October 1, 2024, or by the end of the first full fiscal year after its creation, whichever is later, each special district shall establish goals and objectives for each

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program and activity undertaken by the district, as well as performance measures and standards to determine whether the district's goals and objectives are being achieved.

- (2) By October 1 of each year thereafter, each special district shall publish an annual report on the district's website describing:
- (a) The goals and objectives achieved by the district, as well as the performance measures and standards used by the district to make this determination.
- (b) Any goals or objectives the district failed to achieve.

 Section 8. Subsection (3) of section 189.0695, Florida

 Statutes, is amended to read:
- 189.0695 Independent special districts; performance reviews.—
- (3) The Office of Program Policy Analysis and Government Accountability shall must conduct a performance review of all independent special districts within the classifications described in paragraphs (a), and (b), and (c) and may contract as needed to complete the requirements of this subsection. The Office of Program Policy Analysis and Government Accountability shall submit the final report of the performance review to the President of the Senate and the Speaker of the House of Representatives as follows:
- (a) For all independent mosquito control districts as defined in s. 388.011, no later than September 30, 2023.
- (b) For all soil and water conservation districts as defined in s. 582.01, no later than September 30, 2024.
- (c) For all safe neighborhood improvement districts as defined in s. 163.503(1), no later than September 30, 2025.

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Section 9. Subsection (10) of section 189.016, Florida Statutes, is amended to read:

189.016 Reports; budgets; audits.-

- (10) All reports or information required to be filed with a local general-purpose government or governing authority under ss. 189.014, 189.015, 189.0313, and 189.08 and subsection (8) must:
- (a) If the local general-purpose government or governing authority is a county, be filed with the clerk of the board of county commissioners.
- (b) If the district is a multicounty district, be filed with the clerk of the county commission in each county.
- (c) If the local general-purpose government or governing authority is a municipality, be filed at the place designated by the municipal governing body.

Section 10. Paragraph (a) of subsection (1) of section 190.005, Florida Statutes, is amended to read:

190.005 Establishment of district.-

- (1) The exclusive and uniform method for the establishment of a community development district with a size of 2,500 acres or more shall be pursuant to a rule, adopted under chapter 120 by the Florida Land and Water Adjudicatory Commission, granting a petition for the establishment of a community development district.
- (a) A petition for the establishment of a community development district $\underline{\text{must}}$ $\underline{\text{shall}}$ be filed by the petitioner with the Florida Land and Water Adjudicatory Commission. The petition must $\underline{\text{shall}}$ contain:
 - 1. A metes and bounds description of the external

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boundaries of the district. Any real property within the external boundaries of the district which is to be excluded from the district <u>must shall</u> be specifically described, and the last known address of all owners of such real property <u>must shall</u> be listed. The petition <u>must shall</u> also address the impact of the proposed district on any real property within the external boundaries of the district which is to be excluded from the district.

- 2. The written consent to the establishment of the district by all landowners whose real property is to be included in the district or documentation demonstrating that the petitioner has control by deed, trust agreement, contract, or option of 100 percent of the real property to be included in the district, and when real property to be included in the district is owned by a governmental entity and subject to a ground lease as described in s. 190.003(14), the written consent by such governmental entity.
- 3. A designation of five persons to be the initial members of the board of supervisors, who shall serve in that office until replaced by elected members as provided in s. 190.006.
 - 4. The proposed name of the district.
- 5. A map of the proposed district showing current major trunk water mains and sewer interceptors and outfalls if in existence.
- 6. Based upon available data, the proposed timetable for construction of the district services and the estimated cost of constructing the proposed services. These estimates <u>must shall</u> be submitted in good faith but are not binding and may be subject to change.

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7. A designation of the future general distribution, location, and extent of public and private uses of land proposed for the area within the district by the future land use plan element of the effective local government comprehensive plan of which all mandatory elements have been adopted by the applicable general-purpose local government in compliance with the Community Planning Act.

- 8. A statement of estimated regulatory costs in accordance with the requirements of s. 120.541.
- 9. A sworn affidavit, signed by the petitioner, attesting that the planned development of the proposed district will contain sufficient residential units for at least 250 qualified electors within a proposed district of 5,000 acres or less, or at least 500 qualified electors within a proposed district exceeding 5,000 acres or a compact, urban, mixed-use district.

Section 11. Subsection (3) is added to section 191.013, Florida Statutes, to read:

- 191.013 Intergovernmental coordination.-
- (3) By October 1 of each year, each independent special fire control district shall report to the Division of State Fire Marshal regarding whether each of the district's firefighters and volunteer firefighters have completed the required trainings and received the required certifications established by the division pursuant to s. 633.408.

Section 12. Subsection (1) of section 388.271, Florida Statutes, is amended, and subsection (3) is added to that section, to read:

- 388.271 Prerequisites to participation.
- (1) When state funds are involved, it is the duty of the

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department to quide, review, approve, and coordinate the activities of all county governments and special districts receiving state funds in furtherance of the goal of integrated arthropod control. Each county or district eligible to participate hereunder may, and each district must, begin participation on October 1 of any year by filing with the department not later than July 15 a tentative work plan and tentative detailed work plan budget providing for the control of arthropods. Following approval of the plan and budget by the department, two copies of the county's or district's certified budget based on the approved work plan and detailed work plan budget must shall be submitted to the department by September 30 following. State funds, supplies, and services must shall be made available to such county or district by and through the department immediately upon release of funds by the Executive Office of the Governor.

(3) If a special district fails to submit a tentative work plan and tentative detailed work plan budget as required by subsection (1), the department must send notice of such failure to the Department of Commerce within 30 days.

Section 13. Paragraph (c) of subsection (2) of section 388.46, Florida Statutes, is amended to read:

388.46 Florida Coordinating Council on Mosquito Control; establishment; membership; organization; responsibilities.—

- (2) MEMBERSHIP, ORGANIZATION, AND RESPONSIBILITIES.-
- (c) Responsibilities.—The council shall:
- 1. Develop and implement guidelines to assist the department in resolving disputes arising over the control of arthropods on publicly owned lands.

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2. Develop and recommend to the department a request for proposal process for arthropod control research.

- 3. Identify potential funding sources for research or implementation projects and evaluate and prioritize proposals upon request by the funding source.
- 4. Prepare and present reports, as needed, on arthropod control activities in the state to other governmental organizations, as appropriate.
- 5. By August 30, 2024, develop model goals, objectives, and performance measures and standards to assist mosquito control districts in conducting performance monitoring pursuant to s. 189.0694.
 - Section 14. This act shall take effect July 1, 2024.