By the Committee on Local Government & Veterans Affairs and Representative Sorensen

A bill to be entitled 1 2 An act relating to special districts; amending s. 189.4042, F.S.; providing that an inactive 3 independent special district that was created 4 by a county or municipality through a 5 referendum may be merged or dissolved by the 6 7 county or municipality after publication of notice as required for the declaration of the 8 9 inactive status of a special district; amending s. 189.4044, F.S.; reducing the number of weeks 10 such notice of declaration of inactive status 11 must be published; repealing s. 189.418(3) and 12 13 (4), F.S., which require each special district 14 to file certain reports, information, and audits with the local governing authority; 15 amending s. 189.419, F.S., to conform; amending 16 s. 189.429, F.S.; providing the effect of the 17 reenactment of existing law pursuant to the 18 required codification of a special district 19 charter; amending s. 218.34, F.S.; deleting a 20 provision that allows the proposed budget of a 21 dependent special district to be budgeted 2.2 separately; deleting a requirement that the 23 24 proposed budget of an independent special 25 district located in one county be filed with the county; providing an effective date. 26 27 Be It Enacted by the Legislature of the State of Florida: 28 29 30 Subsection (2) of section 189.4042, Florida Section 1.

Statutes, is amended to read:

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189.4042 Merger and dissolution procedures.--

(2) The merger or dissolution of an independent special district or a dependent district created and operating pursuant to a special act may only be effectuated by the Legislature unless otherwise provided by general law. If an inactive independent district was created by a county or municipality through a referendum, the county or municipality that created the district may merge or dissolve the district after publishing notice as described in s. 189.4044. If an independent district was created by a county or municipality by some other procedure, the county or municipality that created the district may merge or dissolve the district pursuant to the same procedure by which the independent district was created. +However, for any such independent district that has ad valorem taxation powers, the same procedure required to grant such independent district ad valorem taxation powers shall also be required to dissolve or merge the district.

Section 2. Paragraph (b) of subsection (1) of section 189.4044, Florida Statutes, is amended to read:

189.4044 Special procedures for inactive districts.--

- (1) The department shall declare inactive any special district in this state by filing a report with the Speaker of the House of Representatives and the President of the Senate which shows that such special district is no longer active. The inactive status of the special district must be based upon a finding:
- (b) That a notice of the proposed declaration has been published once a week for 2 4 weeks in a newspaper of general circulation within the county or municipality wherein the 31 territory of the special district is located, stating the name

of said special district, the law under which it was organized and operating, a general description of the territory included in said special district, and stating that any objections to the proposed declaration or to any claims against the assets of said special district shall be filed not later than 60 days following the date of last publication with the department; and

Section 3. <u>Subsections (3) and (4) of section 189.418,</u> Florida Statutes, are repealed.

Section 4. Section 189.419, Florida Statutes, is amended to read:

189.419 Effect of failure to file certain reports $\underline{\text{or}}$ information.--

- information required under s. 11.45, s. 189.415, s. 189.416, s. 189.417, s. 189.418, s. 218.32, or s. 218.34 and a description of all new bonds as provided in s. 218.38(1) with the local governing authority, the person authorized to receive and read the reports or information shall notify the district's registered agent and the appropriate local governing authority or authorities. At any time, the governing authority may grant an extension of time for filing the required reports or information, except that an extension may not exceed 30 days.
- (2) If at any time the local governing authority or authorities or the board of county commissioners determines that there has been an unjustified failure to file the reports or information described in subsection (1), it may petition the department to initiate proceedings against the special district in the manner provided in s. 189.421.

information required under s. 11.45, s. 218.32, s. 218.34, or s. 218.38 with the appropriate state agency, the agency shall notify the department, and the department may initiate proceedings against the special district in the manner provided in s. 189.421 or assess fines of not more than \$25, with an aggregate total not to exceed \$50, when formal inquiries do not resolve the noncompliance.

Section 5. Section 189.429, Florida Statutes, is amended to read:

189.429 Codification.--

- (1) Each district, by December 1, 2004, shall submit to the Legislature a draft codified charter, at its expense, so that its special acts may be codified into a single act for reenactment by the Legislature, if there is more than one special act for the district. The Legislature may adopt a schedule for individual district codification. Any codified act relating to a district, which act is submitted to the Legislature for reenactment, shall provide for the repeal of all prior special acts of the Legislature relating to the district. The codified act shall be filed with the department pursuant to s. 189.418(2).
- (2) The reenactment of existing law under this section shall not be construed as a grant of additional authority nor to supersede the authority of any entity pursuant to law.

 Exceptions to law contained in any special act that are reenacted pursuant to this section shall continue to apply.
- (3) The reenactment of existing law under this section shall not be construed to modify, amend, or alter any covenants, contracts, or other obligations of any district with respect to bonded indebtedness. Nothing pertaining to

the reenactment of existing law under this section shall be construed to affect the ability of any district to levy and collect taxes, assessments, fees, or charges for the purpose of redeeming or servicing bonded indebtedness of the district.

Section 6. Section 218.34, Florida Statutes, is amended to read:

- 218.34 Special districts; financial matters.--
- (1) The governing body of each special district shall adopt a budget by resolution each fiscal year. The total amount available from taxation and other sources, including amounts carried over from prior fiscal years, must equal the total of appropriations for expenditures and reserves. The adopted budget must regulate expenditures of the special district, and it is unlawful for any officer of a special district to expend or contract for expenditures in any fiscal year except in pursuance of budgeted appropriations.
- (2) The proposed budget of a dependent special district shall be presented in accordance with generally accepted accounting principles, and as such either be:
- (a) contained within the general budget of the local governing authority, and be clearly stated as the budget of the dependent district. 7 or
- (b) Budgeted separately in which case the governing authority shall certify to the department compliance with the auditing requirements of s. 11.45 for each dependent special district.
- (3) The proposed budget of an independent special district located solely within one county shall be filed with the clerk of the county governing authority by September 1 of each year.

(3)(4) A The local governing authority may, in its discretion, review the budget or tax levy of any special district located solely within its boundaries. Section 7. This act shall take effect upon becoming a law. HOUSE SUMMARY Provides that an inactive independent special district that was created by a county or municipality through a referendum may be merged or dissolved by the county or municipality after publication of notice as required for the declaration of the inactive status of a special district, and reduces from 4 to 2 the number of weeks such notice of inactive status must be published. Removes provisions that require each special district to file certain reports, information, and audits with the local governing authority. Specifies the effect of the reenactment of existing law pursuant to the required codification of a special district charter. Removes a provision that allows the proposed budget of a dependent special district to be budgeted separately. Deletes a requirement that the proposed budget of an independent special district located in one county be filed with the county. county.