By Senator Baker

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A bill to be entitled

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An act relating to special districts; providing legislative intent; declaring that it is the policy of the state to codify the charter of each independent and dependent special district every 10 years; requiring each governmental entity that creates an independent or dependent special district to be responsible for the subsequent examination of the charter; providing for the periodic codification of the charter; providing criteria for determining the performance of an independent or dependent special district; requiring that the Legislature dispose of the assets of a special district it abolishes and assign the district's powers and duties; requiring that the Department of Community Affairs confirm any recommendation by a local governmental entity to abolish a special district; requiring that the assets, powers, and duties of the special district be transferred to the county or counties in which the special district operates; requiring each dependent and independent special district to pay the costs of conducting the subsequent examination; requiring that the examination be conducted by an outside auditor in certain circumstances; providing the schedule of special district codifications; providing procedures with respect to newly created districts, to districts that appear in more than one function classification, and to districts the codification of which was inadvertently omitted; creating s. 218.395, F.S.; providing liability of a special district officer or board member when an audit shows that the officer or member is responsible for

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financial loss by the special district through misfeasance, malfeasance, or nonfeasance; providing that the special district has a cause of action against the officer or member for recovery of its loss; providing an effective date.

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

Section 1. It is the intent of the Legislature that the charters of all dependent and independent special districts in this state be codified under chapter 189, Florida Statutes, every 10 years in order to conform their charters to current law and ensure their effectiveness and usefulness to the people of this state. The Legislature recognizes that not all special districts are creations of the Legislature. However, the Legislature determines that all dependent and independent special districts must be subject to review if this examination is to have the intended effect.

Section 2. The governmental entity that created a dependent or independent special district is the entity responsible for its subsequent examination. In conducting its examination, the governmental entity must determine:

(1) The services provided by the special district.

(2) The degree to which the services delivered by the special district are needed.

(3) Whether the special district is delivering services in the most cost-effective manner.

(4) Whether the services delivered by the special district duplicates service delivered by a governmental entity.

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(5) Whether the persons administering the special district have demonstrated an appropriate degree of stewardship and fiscal responsibility over the public moneys received by the district.

Section 3. To carry out the examination of dependent and independent special districts, all special district charters shall be codified according to the schedule in section 4.

- (1) Each September 1, the agency that created the special district must certify to the Department of Community Affairs those special district charters that are to be codified on October 1 of the following year.
- (2) (a) If a dependent or independent special district was created by the Legislature, the certification must be made by the Legislature. The Legislature shall review each such special district charter and may revive, revive with modifications in structure or powers, or both, or abolish the charter. If the Legislature abolishes the special district charter, it must dispose of the assets of the special district and assign its powers and duties to a governmental entity, which may be an entity of local government, a state agency, or another special district.
- (b) If a dependent or independent special district was created by an entity of local government, the certification must be made by that entity. The entity shall review each such special district charter and may recommend that the charter be revived, revived with modifications in structure or powers, or both, or abolished. If an entity of local government recommends abolishing a special district, upon confirmation by the Department of Community Affairs, the local governmental entity shall assume the assets, powers, and duties of the special district. If a

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governmental entity fails to examine the special district charter and to revive or abolish it, it is presumed that the governmental entity has recommended abolishing the special district and, upon confirmation of the Department of Community Affairs, the special district is abolished and its assets, powers, and duties shall be transferred to the county in which the special district operates. If the special district operates in more than one county, the assets shall be transferred to the counties pro rata according to the proportion of the special district within each county.

- (3) Each dependent or independent special district must pay the costs associated with conducting the subsequent examination. If a member of the governmental entity that created the special district sits on the governing board of the special district, the governmental entity may not conduct the subsequent examination, but must employ an outside auditor to conduct the subsequent examination. If the dependent or independent special district does not hire an outside auditor or does not pay for the audit, the special district is abolished.
- Section 4. The classifications in this section refer to the classifications in the Special Districts Function Index maintained by the Department of Community Affairs. The charters of special districts in the following function classifications are abolished in the years indicated:
- (1) October 1, 2009: Affordable Housing, Airport/Aviation,

 Aquatic Plant Control, Arts, Beach and Shore Beautification,

 Civic Center, Conservation and Erosion, Environmental Protection,

 Historic Preservation, Inlet Maintenance, Library, Neighborhood

 Improvement, Recreation/Parks, Sports, and Transportation.

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(2) October 1, 2010: Community Development, Community

Redevelopment, County Development, Downtown Development, Economic

Development, and Industrial Development in Alachua, Baker, Bay,

Bradford, Brevard, Broward, Calhoun, Charlotte, Citrus, Clay,

Collier, Columbia, DeSoto, Dixie, Duval, Escambia, and Flagler

Counties.

- (3) October 1, 2011: Community Development, Community

 Redevelopment, County Development, Downtown Development, Economic

 Development, and Industrial Development in Franklin, Gadsden,

 Gilchrist, Glades, Gulf, Hamilton, Hardee, Hendry, Hernando,

 Highlands, Hillsborough, Holmes, Indian River, Jackson,

 Jefferson, Lafayette, Lake, and Lee Counties.
- (4) October 1, 2012: Community Development, Community

 Redevelopment, County Development, Downtown Development, Economic

 Development, and Industrial Development in Leon, Levy, Liberty,

 Madison, Manatee, Marion, Martin, Monroe, Nassau, Okaloosa,

 Okeechobee, and Orange Counties.
- (5) October 1, 2013: Community Development, Community

 Redevelopment, County Development, Downtown Development, Economic

 Development, and Industrial Development in Osceola, Palm Beach,

 Pasco, Pinellas, and Polk Counties.
- (6) October 1, 2014: Community Development, Community

 Redevelopment, County Development, Downtown Development, Economic

 Development, and Industrial Development in Putnam, Santa Rosa,

 Sarasota, Seminole, St. Johns, St. Lucie, Sumter, Suwannee,

 Taylor, Union, Volusia, Wakulla, Walton, and Washington Counties.
- (7) October 1, 2015: Children/Welfare, Emergency Medical Services, Fire Control and Rescue, Health Care, Health Facilities, Hospital, Juvenile Welfare, and Nursing Home.

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(8) October 1, 2016: Housing Authority, Housing Finance, Information Systems, Infrastructure Provision, Lighting, Mobile Home Parks, Planning and Zoning, Solid Waste, Utility, and Wastewater Treatment.

- (9) October 1, 2017: Capital Finance, Distribution
 Pipelines, Education/Research/Training, Educational Facilities
 (Higher), Educational Facilities Benefit, Expressways and
 Bridges, Mosquito Control, Municipal Services/Improvements,
 Parking, Personnel, Research and Development, Soil and Water
 Conservation, and Subdivision.
- (10) October 1, 2018: Navigation, Port, Water Control, Water Management, Water Supply, and Water and Sewer.

If any special district is included in more than one classification and those classifications are scheduled to be certified in different years, the governmental entity shall codify the district charter in the later of those years. If a special district is created after July 1, 2008, and would, according to the schedule in this section, be subject to examination in less than 3 years, the governmental entity may not codify that district charter at that time but wait until the next ensuing time for codification in that function classification. If the governmental entity fails to codify a district charter according to the schedule in this section, it shall codify the district charter on the September 1 following the discovery of the omission. Each charter of each district codified with or without modifications must be reexamined every 10 years following its initial examination.

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Section 5. Section 218.395, Florida Statutes, is created to read:

218.395 Certain officers; responsibility for audit findings.--If a special district audit conducted by the Auditor General or by a certified public accountant under s. 218.39 determines that an officer or member of the governing body of a district has, through misfeasance, malfeasance, or nonfeasance, been responsible for a financial loss by the district, the officer or member is responsible for the amount of the loss and the district has a cause of action against the officer or member for its recovery.

Section 6. This act shall take effect July 1, 2008.