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A bill to be entitled An act relating to public-private partnerships; creating s. 287.05712, F.S.; providing definitions; providing legislative findings and intent relating to the construction or upgrade of facilities by private entities which are used predominately for a public purpose; requiring public entities to develop and adopt guidelines governing procedures and criteria for the selection of projects and public-private agreements; providing procurement procedures; providing project-approval requirements; providing project qualifications and process; providing for notice to affected local jurisdictions; providing for interim and comprehensive agreements between the public and private entities; providing for use fees; providing for private financing requirements; providing powers and duties for private entities; providing for expiration or termination of agreements; providing for the applicability of sovereign immunity for public entities with respect to qualified projects; providing for construction of the act; providing an effective date. Be It Enacted by the Legislature of the State of Florida: Section 1. Section 287.05712, Florida Statutes, is created to read: 287.05712 Public-private partnerships.-

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CS/HB 3	337
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29	(1) DEFINITIONSAs used in this section, the term:
30	(a) "Affected local jurisdiction" means any county or
31	municipality in which all or a portion of a qualifying project
32	is located.
33	(b) "Appropriating body" means the body responsible for
34	appropriating or authorizing funding to pay for a qualifying
35	project.
36	(c) "Develop" or "development" means to plan, design,
37	develop, finance, lease, acquire, install, construct, or expand.
38	(d) "Fees" means fees or other charges imposed by the
39	private entity of a qualifying project for use of all or a
40	portion of such qualifying project pursuant to a comprehensive
41	agreement.
42	(e) "Lease payment" means any form of payment, including a
43	land lease, by a public entity to the private entity for the use
44	of a qualifying project.
45	(f) "Material default" means any default by the private
46	entity in the performance of its duties which jeopardizes
47	adequate service to the public from a qualifying project.
48	(g) "Operate" means to finance, maintain, improve, equip,
49	modify, repair, or operate.
50	(h) "Private entity" means any natural person,
51	corporation, general partnership, limited liability company,
52	limited partnership, joint venture, business trust, public
53	benefit corporation, nonprofit entity, or other private business
54	entity.
55	(i) "Proposal" means a detailed proposal accepted by a
56	responsible public entity beyond a conceptual level of review at
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57 which issues such as fixing costs, payment schedules, financing, deliverables, and project schedule are defined. 58 "Qualifying project" means any: 59 (j) 60 1. Public-purpose facility or project, including, but not 61 limited to, a public school building and any functionally related and subordinate facility, including any stadium or other 62 63 facility primarily used for school events. 64 2. Building or facility that meets a public purpose and is 65 developed or operated by or for any public entity. 3. Improvements, including equipment, of buildings to be 66 67 principally used by a public entity. 68 4. Water, wastewater, or surface water management facility 69 and other related infrastructure. 70 "Responsible public entity" means any county, (k) municipality, or other political subdivision of the state; any 71 72 public body politic and corporate; or any regional entity that 73 serves a public purpose and has authority to develop or operate 74 a qualifying project. 75 (1) "Revenues" means all revenues, income, earnings, user 76 fees, lease payments, or other service payments relating to the 77 development or operation of a qualifying project, including, but 78 not limited to, money received as grants or otherwise from the 79 Federal Government, from any public entity, or from any agency or instrumentality of the foregoing in aid of a qualifying 80 81 project. "Service contract" means a contract entered into 82 (m) between a public entity and the private entity. 83 84 "Service payments" means payments to the private (n) Page 3 of 23

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85	entity of a qualifying project pursuant to a service contract.
86	(o) "Water or wastewater management facility" means a
87	project for the treatment, storage, disposal, or distribution of
88	water or wastewater.
89	(2) LEGISLATIVE FINDINGS AND INTENTThe Legislature finds
90	that there is a public need for the construction or upgrade of
91	facilities that are used predominantly for public purposes and
92	that it is in the public's interest to provide for the
93	construction or upgrade of such facilities.
94	(a) The Legislature also finds that:
95	1. There is a public need for timely and cost-effective
96	acquisition, design, construction, improvement, renovation,
97	expansion, equipping, maintenance, operation, implementation, or
98	installation of public projects, including educational
99	facilities, water or wastewater management facilities and
100	infrastructure, technology infrastructure, and any other public
101	infrastructure and government facilities within the state which
102	serve a public need and purpose, and that such public need may
103	not be wholly satisfied by existing procurement methods.
104	2. There are inadequate resources to develop new
105	educational facilities, water or wastewater management
106	facilities and infrastructure, technology infrastructure, and
107	other public infrastructure and government facilities for the
108	benefit of residents of this state, and that it has been
109	demonstrated that public-private partnerships can meet these
110	needs by improving the schedule for delivery, lowering the cost,
111	and providing other benefits to the public.
112	3. There are state and federal tax incentives that promote
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113	partnerships between public and private entities to develop and
114	operate qualifying projects.
115	4. A procurement under this section serves the public
116	purpose of this section if such action facilitates the timely
117	development or operation of qualifying projects.
118	(b) The Legislature declares that it is the intent of this
119	section to encourage investment in the state by private
120	entities, to facilitate various bond financing mechanisms,
121	private capital, and other funding sources for the development
122	and operation of qualifying projects, including expansion and
123	acceleration of such financing to meet the public need, and to
124	provide the greatest possible flexibility to public and private
125	entities contracting for the provision of public services.
126	(3) ADOPTION OF GUIDELINES.—
127	(a) Before requesting or considering a proposal for a
128	qualifying project, a responsible public entity shall adopt and
129	make publicly available guidelines that enable the public entity
130	to comply with this section. Such guidelines must be reasonable,
131	encourage competition, and guide the selection of projects under
132	the purview of the public entity.
133	(b) The guidelines must include:
134	1. Opportunities for competition through public notice and
135	the availability of representatives of the responsible public
136	entity to meet with private entities considering a proposal.
137	2. Reasonable criteria for choosing among competing
138	proposals.
139	3. Suggested timelines for selecting proposals and
140	negotiating an interim or comprehensive agreement.
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141	4. Authorization for accelerated selection and review and
142	documentation timelines for proposals involving a qualifying
143	project that the responsible public entity deems a priority.
144	5. Procedures for financial review and analysis which, at
145	a minimum, include a cost-benefit analysis, an assessment of
146	opportunity cost, and consideration of the results of all
147	studies and analyses related to the proposed qualifying project.
148	The procedures must also include requirements for disclosing
149	such analysis to the appropriating body for review before the
150	execution of an interim or comprehensive agreement.
151	6. Consideration of the nonfinancial benefits of a
152	proposed qualifying project.
153	7. A mechanism for the appropriating body to review a
154	proposed interim or comprehensive agreement before execution.
155	8. Establishment of criteria for the creation and
156	responsibilities of a public-private partnership oversight
157	committee that includes members representing the responsible
158	public entity and the appropriating body. Such criteria must
159	include the scope, costs, and duration of the qualifying
160	project, as well as whether the project involves or affects
161	multiple public entities. If formed, the oversight committee
162	shall be an advisory committee that reviews the terms of a
163	proposed interim or comprehensive agreement.
164	9. Analysis of the adequacy of the information released
165	when seeking competing proposals and providing for the
166	enhancement of that information, if deemed necessary, to
167	encourage competition.
168	10. Establishment of criteria, key decision points, and
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169 approvals required to ensure that the responsible public entity 170 considers the extent of competition before selecting proposals 171 and negotiating an interim or comprehensive agreement. 172 The publishing and posting of public notice of a 11. 173 private entity's request for approval of a qualifying project, 174 including: 175 a. Specific information and documentation to be released regarding the nature, timing, and scope of the project. 176 b. A reasonable time period, as determined by the 177 responsible public entity, of at least 45 days, which encourages 178 179 competition and public-private partnerships in accordance with 180 the goals of this section, during which time the responsible 181 public entity is to receive competing proposals. 182 c. A requirement for advertising the public notice and 183 posting the notice on the Internet. 184 12. A requirement that the responsible public entity 185 engage the services of qualified professionals, which may 186 include a Florida-registered professional or a certified public 187 accountant, not otherwise employed by the responsible public 188 entity, to provide an independent analysis regarding the 189 specifics, advantages, disadvantages, and long-term and short-190 term costs of a request by a private entity for approval of a qualifying project, unless the governing body of the public 191 192 entity determines that such analysis should be performed by 193 employees of the public entity. (4) PROCUREMENT PROCEDURES. - The responsible public entity 194 195 may receive or solicit proposals with the approval of the 196 appropriating body as evidenced by approval of the project in Page 7 of 23

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197 the public entity's work program, and enter into agreements with 198 private entities or consortia thereof, for the building, 199 upgrade, operation, ownership, or financing of facilities. 200 (a) A responsible public entity may not consider any 201 request by a private entity for approval of a qualifying project 202 until the responsible public entity has adopted, or incorporated 203 and made publicly available, in accordance with subsection (3), 204 guidelines that enable the responsible public entity to comply 205 with this section. By rule, ordinance, or guideline as applicable, the 206 (b) 207 responsible public entity shall establish an application fee for 208 the submission of unsolicited proposals under this section. The 209 fee must be sufficient to pay the costs of evaluating the 210 proposal. The responsible public entity may engage the services 211 of private consultants to assist in the evaluation. 212 (C) The responsible public entity may request proposals 213 from private entities for public-private projects or, if the 214 public entity receives an unsolicited proposal, the public 215 entity shall publish a notice in the Florida Administrative 216 Weekly and a newspaper of general circulation at least once a 217 week for 2 weeks stating that the public entity has received the 218 proposal and will accept other proposals for the same project 219 for 60 days after the initial date of publication. A copy of the 220 notice must be mailed to each local government in the affected 221 area. 222 (d) A responsible public entity that is a school board or 223 a county or municipality may enter into an interim or 224 comprehensive agreement only with the approval of the local Page 8 of 23

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225 governing body. 226 (e) Before approval, the responsible public entity must 227 determine that the proposed project: 228 1. Is in the public's best interest; 229 2. Is for a facility that is owned by the responsible 230 public entity or for a facility for which ownership will be 231 conveyed to the responsible public entity; 232 3. Has adequate safeguards in place to ensure that 233 additional costs or service disruptions would not be imposed on 234 the public and residents of the state in the event of default or 235 cancellation of the agreement by the public entity; 236 4. Has adequate safeguards in place to ensure that the 237 responsible public entity or the private entity has the 238 opportunity to add capacity to the proposed project and other 239 facilities serving similar predominantly public purposes; and 240 5. Would be owned by the responsible public entity upon 241 completion or termination of the agreement and upon payment of 242 all amounts financed. 243 Technical studies and independent analyses must comply (f) 244 with the following: 245 1. Any interim or comprehensive agreement must include a 246 reasonable finance plan, consistent with subsection (11), which 247 identifies the project cost, revenues by source, financing, 248 major assumptions, internal rate of return on private 249 investments, and whether any government funds are assumed to 250 deliver a cost-feasible project, and a total cash-flow analysis 251 beginning with implementation of the project and extending for 252 the term of the agreement.

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253	2. Any comprehensive agreement must be consistent with an
254	investment-grade technical study prepared by a nationally
255	recognized expert who is accepted by the national bond rating
256	agencies. In evaluating the technical study, the responsible
257	public entity may rely upon internal staff reports prepared by
258	personnel familiar with the operation of similar facilities or
259	the advice of external advisors or consultants having relevant
260	experience.
261	(5) PROJECT APPROVAL REQUIREMENTSA request by a private
262	entity for approval of a qualifying project must be accompanied
263	by the following material and information, unless waived by the
264	responsible public entity:
265	(a) A topographic map with a scale of 1:2,000 or other
266	appropriate scale indicating the location of the qualifying
267	project.
268	(b) A description of the qualifying project, including the
269	conceptual design of such facilities or a conceptual plan for
270	the provision of services, and a schedule for the initiation of
271	and completion of the qualifying project which includes the
272	proposed major responsibilities and a timeline for activities to
273	be performed by both the public and private entity.
274	(c) A statement setting forth the method by which the
275	private entity proposes to secure any necessary property
276	interests required for the qualifying project.
277	(d) Information relating to current plans for the
278	development of facilities or technology infrastructure to be
279	used by a public entity which is similar to the qualifying
280	project being proposed by the private entity, if any, of each
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281	affected local jurisdiction.
282	(e) A list of all permits and approvals required for the
283	qualifying project from local, state, or federal agencies and a
284	projected schedule for obtaining such permits and approvals.
285	(f) A list of public water or wastewater management
286	facilities, if any, which will be crossed by the qualifying
287	project and a statement of the plans of the private entity to
288	accommodate such crossings.
289	(g) A statement setting forth the private entity's general
290	plans for financing the qualifying project, including the
291	sources of the private entity's funds and identification of any
292	dedicated revenue source or proposed debt or equity investment
293	on the behalf of the private entity.
294	(h) The names and addresses of persons who may be
295	contacted for further information concerning the request.
296	(i) User fees, lease payments, and other service payments
297	over the term of an interim or comprehensive agreement, and the
298	methodology and circumstances for changes to such user fees,
299	lease payments, and other service payments over time.
300	(j) Any additional material and information that the
301	responsible public entity may reasonably request.
302	(6) PROJECT QUALIFICATION AND PROCESS.—
303	(a) Public-private partnerships shall be qualified by the
304	responsible public entity as part of the procurement process
305	outlined in the procurement documents if such process ensures
306	that the private entity meets at least the minimum standards
307	contained in the responsible public entity's guidelines for
308	qualifying professional architectural, engineering, and
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309 contracting services before submitting a proposal under the 310 procurement.

311 The responsible public entity must ensure that (b) 312 procurement documents include provisions for the private 313 entity's performance and payment of subcontractors, including, 314 but not limited to, surety bonds, letters of credit, parent 315 company guarantees, and lender and equity partner guarantees. 316 For those components of the qualifying project which involve 317 construction, performance and payment bonds are required and are subject to the recordation, notice, suit limitation, and other 318 319 requirements of s. 255.05. The responsible public entity shall 320 balance the structure of the security package for the public-321 private partnership which ensures performance and payment of 322 subcontractors with the cost of the security to ensure the most 323 efficient pricing. The procurement documents must contain 324 contract provisions addressing termination, default, and exit 325 transition obligations of the private entity. 326 (c) After the public notification period has expired, the 327 responsible public entity shall rank the proposals in order of

328 preference. In ranking the proposals, the responsible public 329 entity may consider factors that include, but need not be 330 limited to, professional qualifications, general business terms, 331 innovative engineering or cost-reduction terms, and finance 332 plans. If the public entity is not satisfied with the results of 333 the negotiations, the public entity may terminate negotiations 334 with the proposer. If these negotiations are unsuccessful, the 335 responsible public entity may go to the second-ranked and lower-336 ranked firms, in order, using this same procedure. If only one

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337 proposal is received, the responsible public entity may 338 negotiate in good faith and, if the public entity is not 339 satisfied with the results of the negotiations, the public 340 entity may terminate negotiations with the proposer. 341 Notwithstanding this subsection, the responsible public entity 342 may reject all proposals at any point in the process up to 343 execution of a contract with the proposer. 344 (d) The responsible public entity shall perform an independent analysis, or other analysis in accordance with 345 paragraph (4)(f), of the proposed public-private partnership 346 347 which demonstrates the cost-effectiveness and overall public 348 benefit at the following times: 349 1. Before the procurement process; and 350 2. Before awarding the contract. 351 (e) The responsible public entity may approve the 352 development or operation of an educational facility, a water or 353 wastewater management facility and related infrastructure, 354 technology infrastructure or other public infrastructure, or a 355 governmental facility needed by the public entity as a 356 qualifying project, or the design or equipping of a qualifying 357 project so developed or operated, if: 358 1. There is a public need for or benefit derived from a 359 project of the type the private entity proposes as a qualifying 360 project. 361 2. The estimated cost of the qualifying project is 362 reasonable in relation to similar facilities. 363 3. The private entity's plans will result in the timely 364 acquisition, design, construction, improvement, renovation,

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365 expansion, equipping, maintenance, or operation of the 366 qualifying project. 367 The responsible public entity may charge a reasonable (f) 368 fee to cover the costs of processing, reviewing, and evaluating 369 the request, including, but not limited to, reasonable attorney 370 fees and fees for financial, technical, and other necessary 371 advisors or consultants. 372 (g) Upon approval of a qualifying project, the responsible 373 public entity shall establish a date for the commencement of 374 activities related to the qualifying project. The responsible 375 public entity may extend such date. 376 (h) Approval of a qualifying project by the responsible 377 public entity is subject to entering into a comprehensive 378 agreement with the private entity. 379 (7) NOTICE TO AFFECTED LOCAL JURISDICTIONS.-380 (a) Any private entity requesting approval from, or 381 submitting a proposal to, a responsible public entity must 382 notify each affected local jurisdiction by furnishing a copy of 383 its request or proposal to each affected local jurisdiction. 384 Each affected local jurisdiction that is not a (b) 385 responsible public entity for the respective qualifying project 386 shall, within 60 days after receiving such notice, submit any 387 comments it may have in writing to the responsible public entity 388 and indicate whether the facility is compatible with the local 389 comprehensive plan, the local infrastructure development plans, 390 the capital improvements budget, or other governmental spending 391 plan. Such comments shall be given consideration by the 392 responsible public entity before entering a comprehensive

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393	agreement with a private entity.
394	(8) INTERIM AGREEMENTBefore, or in connection with, the
395	negotiation of a comprehensive agreement, the responsible public
396	entity may enter into an interim agreement with the private
397	entity proposing the development or operation of the qualifying
398	project. An interim agreement does not obligate the responsible
399	public entity to enter into a comprehensive agreement. An
400	interim agreement must be limited to provisions that:
401	(a) Authorize the private entity to commence activities
402	for which it may be compensated related to the proposed
403	qualifying project, including, but not limited to, project
404	planning and development, design and engineering, environmental
405	analysis and mitigation, surveys, or other activities concerning
406	any part of the proposed qualifying project, and ascertaining
407	the availability of financing for the proposed facility or
408	facilities.
409	(b) Establish the process and timing of the negotiation of
410	the comprehensive agreement.
411	(c) Contain any other provisions related to any aspect of
412	the development or operation of a qualifying project which the
413	responsible public entity and the private entity deem
414	appropriate.
415	(9) COMPREHENSIVE AGREEMENT
416	(a) Before developing or operating the qualifying project,
417	the private entity shall enter into a comprehensive agreement
418	with the responsible public entity. The comprehensive agreement
419	shall provide for:
420	1. Delivery of maintenance, performance, and payment bonds
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421 and letters of credit in connection with the development or 422 operation of the qualifying project in the forms and amounts 423 satisfactory to the responsible public entity. For those 424 components of the qualifying project which involve construction, 425 the form and amount of the bonds must comply with s. 255.05. 426 2. Review of plans and specifications for the qualifying 427 project by the responsible public entity and approval by the 428 responsible public entity if the plans and specifications 429 conform to standards acceptable to the responsible public 430 entity. This subparagraph does not require the private entity to 431 complete the design of a qualifying project before the execution 432 of a comprehensive agreement. 433 3. Inspection of the qualifying project by the responsible 434 public entity to ensure that the operator's activities are 435 acceptable to the public entity in accordance with the 436 comprehensive agreement. 437 4. Maintenance of a policy or policies of public liability 438 insurance, copies of which shall be filed with the responsible 439 public entity accompanied by proofs of coverage, or self-440 insurance, each in the form and amount satisfactory to the 441 responsible public entity and reasonably sufficient to ensure 442 coverage of tort liability to the public and employees and to 443 enable the continued operation of the qualifying project. 5. Monitoring the practices of the private entity by the 444 445 responsible public entity to ensure that the qualifying project 446 is properly maintained. 447 6. Reimbursement to be paid to the responsible public 448 entity for services provided by the responsible public entity.

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449 7. Filing of appropriate financial statements on a 450 periodic basis. 451 8. Procedures governing the rights and responsibilities of 452 the responsible public entity and the private entity in the 453 event the comprehensive agreement is terminated or there is a 454 material default by the private entity. Such procedures must 455 include conditions governing assumption of the duties and 456 responsibilities of the private entity by the responsible public 457 entity and the transfer or purchase of property or other 458 interests of the private entity by the responsible public 459 entity. 460 9. Fees, lease payments, or service payments as may be 461 established by agreement of the parties. A copy of any service 462 contract shall be filed with the responsible public entity. In 463 negotiating user fees, the parties shall establish fees that are 464 the same for persons using the facility under like conditions 465 and that will not materially discourage use of the qualifying 466 project. The execution of the comprehensive agreement or any 467 amendment thereto constitutes conclusive evidence that the fees, 468 lease payments, or service payments provided for comply with 469 this section. Fees or lease payments established in the 470 comprehensive agreement as a source of revenues may be in 471 addition to, or in lieu of, service payments. 472 10. Duties of the private entity, including terms and 473 conditions that the responsible public entity determine serve 474 the public purpose of this section. 475 (b) The comprehensive agreement may include: 476 1. An agreement by the responsible public entity to make

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2012 477 grants or loans to the private entity from amounts received from 478 the federal, state, or local government or any agency or 479 instrumentality thereof. 2. Provisions under which each entity agrees to provide 480 481 notice of default and cure rights for the benefit of the other 482 entity, including, but not limited to, provisions regarding 483 unavoidable delays. 484 3. Provisions whereby the authority and duties of the 485 private entity under this section will cease and the qualifying 486 project be dedicated to the responsible public entity or, if the 487 qualifying project was initially dedicated by an affected local 488 jurisdiction, to such affected local jurisdiction for public 489 use. 490 (10) FEES.-491 (a) Agreements entered into pursuant to this section may 492 authorize the private entity to impose fees for the use of the 493 facility. The following provisions apply to such agreements: 494 1. The public-private partnership agreement must ensure that the facility is properly operated, maintained, and renewed 495 496 in accordance with the responsible public entity's standards. 2. The responsible public entity may develop new 497 498 facilities or increase capacity in existing facilities through 499 public-private partnerships. 500 3. The responsible public entity may lease existing fee-501 for-use facilities through public-private partnerships. 502 4. Any revenues must be regulated by the responsible 503 public entity pursuant to guidelines or rules established 504 pursuant to subsection (3). The regulations governing the future Page 18 of 23

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505	increase of fees must be included in the public-private
506	partnership agreement.
507	(b) The responsible public entity shall include provisions
508	in the public-private partnership agreement which ensure that a
509	negotiated portion of revenues from fee-generating projects are
510	returned to the public entity over the life of the agreement. In
511	the case of a lease of an existing facility, the responsible
512	public entity shall receive a portion of funds upon closing on
513	the agreements and also a portion of excess revenues over the
514	life of the public-private partnership.
515	(11) FINANCING
516	(a) A private entity may enter into private-source
517	financing agreements between financing sources and the private
518	entity. All financing agreements and any liens on the property
519	or facility must be paid in full at the applicable closing that
520	transfers ownership of a facility to a responsible public
521	entity.
522	(b) The responsible public entity may lend funds from its
523	trust fund to private entities that construct projects
524	containing facilities that are approved under this section. To
525	be eligible, a private entity must comply with s. 215.97 and
526	must provide an indication from a nationally recognized rating
527	agency that the senior bonds for the project will be investment
528	grade, or must provide credit support, such as a letter of
529	credit or other means acceptable to the responsible public
530	entity, to ensure that the loans will be fully repaid.
531	(c) The responsible public entity may use innovative
532	finance techniques associated with a public-private partnership
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under this section, including, but not limited to, federal loans as provided in 23 and 49 C.F.R., commercial bank loans, and hedges against inflation from commercial banks or other private sources. A responsible public entity may use the model financing agreement as provided in s. 489.145(6) for its financing of a facility owned by a responsible public entity. A financing agreement may not require the responsible public entity to indemnify the financing source, subject the responsible public entity's facility to liens in violation of s. 11.066(5), or secure financing by a responsible public entity with a pledge of security interest, and any such provisions are void. (12) POWERS AND DUTIES OF THE PRIVATE ENTITY.-(a) The private entity shall: 1. Develop or operate the qualifying project in a manner that is acceptable to the responsible public entity in accordance with the provisions of an interim or comprehensive agreement. 2. Maintain, or provide by contract for the maintenance or upgrade of, the qualifying project if required by an interim or comprehensive agreement. 3. Cooperate with the responsible public entity in making best efforts to establish any interconnection with the qualifying project requested by the responsible public entity.

5564. Comply with an interim or comprehensive agreement and557any lease or service contract.

(b) Each private facility constructed pursuant to this section must comply with all requirements of federal, state, and local laws; state, regional, and local comprehensive plans;

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561 responsible public entity rules, procedures, and standards for 562 facilities; and any other conditions that the responsible public 563 entity determine to be in the public's best interest. 564 The responsible public entity may exercise any power (C) 565 possessed by it, including eminent domain, to facilitate the 566 development and construction of projects pursuant to this 567 section. The responsible public entity may provide services to 568 the private entity. Agreements for maintenance and other 569 services entered into pursuant to this section must provide for 570 full reimbursement for services rendered for projects. 571 (d) A private entity of a qualifying project may provide 572 additional services for the qualifying project to public or 573 private entities other than the responsible public entity if the 574 provision of additional service does not impair the private 575 entity's ability to meet its commitments to the public entity 576 pursuant to an interim or comprehensive agreement. 577 (13) EXPIRATION OR TERMINATION OF AGREEMENTS.-Upon 578 expiration or termination of an interim or comprehensive 579 agreement, the responsible public entity may use revenues to pay 580 current operation and maintenance costs of the qualifying 581 project, as well as compensation to the responsible public 582 entity for its services in developing and operating the 583 qualifying project. Except as provided otherwise in the interim 584 or comprehensive agreement, the right to receive such payment, 585 if any, is considered just compensation for the qualifying 586 project in the event termination is due to the default of the 587 private entity; however, this right does not affect the right of 588 the responsible public entity to terminate, with cause, an

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589 interim or comprehensive agreement and to exercise any other 590 rights and remedies that may be available to it at law or in 591 equity. The full faith and credit of the responsible public 592 entity may not be pledged to secure any financing of the private 593 entity by the election to take over the qualifying project. 594 Assumption of the development or operation of the qualifying 595 project does not obligate the responsible public entity to pay 596 any obligation of the private entity from sources other than 597 revenues. 598 (14) SOVEREIGN IMMUNITY.-This section does not waive the sovereign immunity of the state, any responsible public entity, 599 600 any affected local jurisdiction, or any officer or employee 601 thereof with respect to participation in, or approval of, all or 602 any part of the qualifying project or its operation, including, 603 but not limited to, interconnection of the qualifying project 604 with any other infrastructure or project. Counties and 605 municipalities in which a qualifying project is located possess 606 sovereign immunity with respect to the project's design, 607 construction, and operation. 608 (15) CONSTRUCTION.-This section shall be liberally 609 construed to effectuate the purposes thereof. This section does not limit the state or its agencies 610 (a) in the acquisition, design, or construction of public projects 611 612 pursuant to other statutory authority. 613 Except as otherwise provided in this section, this (b) 614 section does not amend existing laws by granting additional powers to, or further restricting, local governmental entities 615 616 from regulating and entering into cooperative arrangements with

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617	the private sector for the planning, construction, and operation
618	of facilities.
619	Section 2. This act shall take effect July 1, 2012.

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