1 A bill to be entitled 2 An act relating to public-private partnerships; 3 transferring, renumbering, and amending s. 287.05712, 4 F.S.; revising definitions; deleting provisions 5 creating the Public-Private Partnership Guidelines 6 Task Force; requiring a private entity that submits an 7 unsolicited proposal to pay an initial application fee and additional amounts if the fee does not cover 8 9 certain costs; specifying payment methods; authorizing 10 a responsible public entity to alter the statutory timeframe for accepting proposals for a qualifying 11 12 project under certain circumstances; requiring a 13 design criteria package to be submitted to a 14 responsible public entity if such entity solicits 15 specific proposals; deleting a provision that requires approval of the local governing body before a school 16 board enters into a comprehensive agreement; revising 17 the conditions necessary for a responsible public 18 19 entity to approve a comprehensive agreement; deleting 20 provisions relating to notice to affected local 21 jurisdictions; providing that fees imposed by a 2.2 private entity must be applied as set forth in the comprehensive agreement; authorizing a negotiated 23 portion of revenues from fee-generating uses to be 24 returned to the responsible public entity; restricting 25 26 provisions in financing agreements that could result

Page 1 of 28

CODING: Words stricken are deletions; words underlined are additions.

FLORIDA HOUSE OF REPRESENTATIVES	F	L	0	R		D	А	ŀ	-	0	U	S	Е	0	F	R	Е	Р	R	Е	S	Е	Ν	Т	Α	Т		V	Е	S
----------------------------------	---	---	---	---	--	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	--	---	---	---

27 in a responsible public entity's losing ownership of real or tangible personal property; deleting a 28 29 provision that required a responsible public entity to 30 comply with specific financial obligations; providing 31 duties of the Department of Management Services 32 relating to comprehensive agreements; revising 33 provisions relating to construction of the act; providing an effective date. 34 35 36 Be It Enacted by the Legislature of the State of Florida: 37 38 Section 1. Section 287.05712, Florida Statutes, is 39 transferred, renumbered as section 255.065, Florida Statutes, 40 and amended to read: 41 255.065 287.05712 Public-private partnerships.-42 (1)DEFINITIONS.-As used in this section, the term: (a) "Affected local jurisdiction" means a county, 43 44 municipality, or special district in which all or a portion of a 45 qualifying project is located. "Develop" means to plan, design, finance, lease, 46 (b) 47 acquire, install, construct, or expand. 48 "Fees" means charges imposed by the private entity of (C) 49 a qualifying project for use of all or a portion of such qualifying project pursuant to a comprehensive agreement. 50 51 "Lease payment" means any form of payment, including a (d) 52 land lease, by a public entity to the private entity of a Page 2 of 28

CODING: Words stricken are deletions; words underlined are additions.

53 qualifying project for the use of the project.

(e) "Material default" means a nonperformance of its
duties by the private entity of a qualifying project which
jeopardizes adequate service to the public from the project.

57 (f) "Operate" means to finance, maintain, improve, equip,58 modify, or repair.

(g) "Private entity" means any natural person,
corporation, general partnership, limited liability company,
limited partnership, joint venture, business trust, public
benefit corporation, nonprofit entity, or other private business
entity.

(h) "Proposal" means a plan for a qualifying project with
detail beyond a conceptual level for which terms such as fixing
costs, payment schedules, financing, deliverables, and project
schedule are defined.

68

(i) "Qualifying project" means:

69 A facility or project that serves a public purpose, 1. including, but not limited to, any ferry or mass transit 70 71 facility, vehicle parking facility, airport or seaport facility, 72 rail facility or project, fuel supply facility, oil or gas 73 pipeline, medical or nursing care facility, recreational 74 facility, sporting or cultural facility, or educational facility 75 or other building or facility that is used or will be used by a public educational institution, or any other public facility or 76 77 infrastructure that is used or will be used by the public at 78 large or in support of an accepted public purpose or activity;

### Page 3 of 28

2. An improvement, including equipment, of a building that will be principally used by a public entity or the public at large or that supports a service delivery system in the public sector;

3. A water, wastewater, or surface water management
facility or other related infrastructure; or

4. Notwithstanding any provision of this section, for projects that involve a facility owned or operated by the governing board of a county, district, or municipal hospital or health care system, or projects that involve a facility owned or operated by a municipal electric utility, only those projects that the governing board designates as qualifying projects pursuant to this section.

92 (j) "Responsible public entity" means a county, 93 municipality, school <u>district</u>, <u>special district</u> <del>board</del>, or any 94 other political subdivision of the state; a public body 95 corporate and politic; or a regional entity that serves a public 96 purpose and is authorized to develop or operate a qualifying 97 project.

"Revenues" means the income, earnings, user fees, 98 (k) 99 lease payments, or other service payments relating to the 100 development or operation of a qualifying project, including, but 101 not limited to, money received as grants or otherwise from the Federal Government, a public entity, or an agency or 102 103 instrumentality thereof in aid of the qualifying project. 104 "Service contract" means a contract between a (1)

Page 4 of 28

CODING: Words stricken are deletions; words underlined are additions.

105 responsible public entity and the private entity which defines
106 the terms of the services to be provided with respect to a
107 qualifying project.

108 (2) LEGISLATIVE FINDINGS AND INTENT.—The Legislature finds 109 that there is a public need for the construction or upgrade of 110 facilities that are used predominantly for public purposes and 111 that it is in the public's interest to provide for the 112 construction or upgrade of such facilities.

113

(a) The Legislature also finds that:

114 There is a public need for timely and cost-effective 1. acquisition, design, construction, improvement, renovation, 115 116 expansion, equipping, maintenance, operation, implementation, or installation of projects serving a public purpose, including 117 118 educational facilities, transportation facilities, water or 119 wastewater management facilities and infrastructure, technology 120 infrastructure, roads, highways, bridges, and other public 121 infrastructure and government facilities within the state which 122 serve a public need and purpose, and that such public need may 123 not be wholly satisfied by existing procurement methods.

2. There are inadequate resources to develop new educational facilities, transportation facilities, water or wastewater management facilities and infrastructure, technology infrastructure, roads, highways, bridges, and other public infrastructure and government facilities for the benefit of residents of this state, and that a public-private partnership has demonstrated that it can meet the needs by improving the

Page 5 of 28

CODING: Words stricken are deletions; words underlined are additions.

131 schedule for delivery, lowering the cost, and providing other 132 benefits to the public.

3. There may be state and federal tax incentives that
promote partnerships between public and private entities to
develop and operate qualifying projects.

4. A procurement under this section serves the public
purpose of this section if such procurement facilitates the
timely development or operation of a qualifying project.

139 It is the intent of the Legislature to encourage (b) 140 investment in the state by private entities; to facilitate 141 various bond financing mechanisms, private capital, and other 142 funding sources for the development and operation of qualifying projects, including expansion and acceleration of such financing 143 144 to meet the public need; and to provide the greatest possible 145 flexibility to public and private entities contracting for the 146 provision of public services.

147

(3) PUBLIC-PRIVATE PARTNERSHIP CUIDELINES TASK FORCE.

148 (a) There is created the Partnership for Public Facilities 149 and Infrastructure Act Guidelines Task Force for the purpose of 150 recommending guidelines for the Legislature to consider for 151 purposes of creating a uniform process for establishing public-152 private partnerships, including the types of factors responsible 153 public entities should review and consider when processing 154 requests for public-private partnership projects pursuant to 155 this section.

156

(b) The task force shall be composed of seven members, as

Page 6 of 28

CODING: Words stricken are deletions; words underlined are additions.

157 follows:

158	1. The Secretary of Management Services or his or her
159	designee, who shall serve as chair of the task force.
160	2. Six members appointed by the Governor, as follows:
161	a. One county government official.
162	b. One municipal government official.
163	c. One district school board member.
164	d. Three representatives of the business community.
165	(c) Task force members must be appointed by July 31, 2013.
166	By August 31, 2013, the task force shall meet to establish
167	procedures for the conduct of its business and to elect a vice
168	chair. The task force shall meet at the call of the chair. A
169	majority of the members of the task force constitutes a quorum,
170	and a quorum is necessary for the purpose of voting on any
171	action or recommendation of the task force. All meetings shall
172	be held in Tallahassee, unless otherwise decided by the task
173	force, and then no more than two such meetings may be held in
174	other locations for the purpose of taking public testimony.
175	Administrative and technical support shall be provided by the
176	department. Task force members shall serve without compensation
177	and are not entitled to reimbursement for per diem or travel
178	expenses.
179	(d) In reviewing public-private partnerships and
180	developing recommendations, the task force must consider:
181	1. Opportunities for competition through public notice and
182	the availability of representatives of the responsible public
	Page 7 of 28

CODING: Words stricken are deletions; words underlined are additions.

183	entity to meet with private entities considering a proposal.
184	2. Reasonable criteria for choosing among competing
185	proposals.
186	3. Suggested timelines for selecting proposals and
187	negotiating an interim or comprehensive agreement.
188	4. If an accelerated selection and review and
189	documentation timelines should be considered for proposals
190	involving a qualifying project that the responsible public
191	entity deems a priority.
192	5. Procedures for financial review and analysis which, at
193	a minimum, include a cost-benefit analysis, an assessment of
194	opportunity cost, and consideration of the results of all
195	studies and analyses related to the proposed qualifying project.
196	6. The adequacy of the information released when seeking
197	competing proposals and providing for the enhancement of that
198	information, if deemed necessary, to encourage competition.
199	7. Current exemptions from public records and public
200	meetings requirements, if any changes to those exemptions are
201	necessary, or if any new exemptions should be created in order
202	to maintain the confidentiality of financial and proprietary
203	information received as part of an unsolicited proposal.
204	8. Recommendations regarding the authority of the
205	responsible public entity to engage the services of qualified
206	professionals, which may include a Florida-registered
207	professional or a certified public accountant, not otherwise
208	employed by the responsible public entity, to provide an
ļ	Page 8 of 28

CODING: Words stricken are deletions; words underlined are additions.

209

210

211

212

213

214

independent analysis regarding the specifics, advantages, disadvantages, and long-term and short-term costs of a request by a private entity for approval of a qualifying project, unless the governing body of the public entity determines that such analysis should be performed by employees of the public entity. (e) The task force must submit a final report of its

215 recommendations to the Governor, the President of the Senate, 216 and the Speaker of the House of Representatives by July 1, 2014.

217 (f) The task force is terminated December 31, 2014. The 218 establishment of guidelines pursuant to this section or the 219 adoption of such quidelines by a responsible public entity is 220 not required for such entity to request or receive proposals for 221 a qualifying project or to enter into a comprehensive agreement 222 for a qualifying project. A responsible public entity may adopt 223 guidelines so long as such guidelines are not inconsistent with 224 this section.

(3) (4) PROCUREMENT PROCEDURES.—A responsible public entity
 may receive unsolicited proposals or may solicit proposals for <u>a</u>
 qualifying <u>project</u> <del>projects</del> and may thereafter enter into <u>a</u>
 <u>comprehensive</u> <del>an</del> agreement with a private entity, or a
 consortium of private entities, for the building, upgrading,
 operating, ownership, or financing of facilities.

(a)<u>1.</u> The responsible public entity may establish a
reasonable application fee for the submission of an unsolicited
proposal under this section.

234

2. A private entity that submits an unsolicited proposal

Page 9 of 28

CODING: Words stricken are deletions; words underlined are additions.

2016

235	to a responsible public entity must concurrently pay an initial
236	application fee, as determined by the responsible public entity.
237	Payment must be made by cash, cashier's check, or other
238	noncancelable instrument. Personal checks may not be accepted.
239	3. If the initial application fee does not cover the
240	responsible public entity's costs to evaluate the unsolicited
241	proposal, the responsible public entity must request in writing
242	the additional amounts required. The private entity must pay the
243	requested additional amounts within 30 days after receipt of the
244	notice. The responsible public entity may stop its review of the
245	unsolicited proposal if the private entity fails to pay the
246	additional amounts.
247	4. If the responsible public entity does not evaluate the
248	unsolicited proposal, the responsible public entity must return
249	the application fee The fee must be sufficient to pay the costs
250	of evaluating the proposal. The responsible public entity may
251	engage the services of a private consultant to assist in the
252	evaluation.
253	(b) The responsible public entity may request a proposal
254	from private entities for a <u>qualifying</u> public-private project
255	or, if the <u>responsible</u> public entity receives an unsolicited
256	proposal for a <u>qualifying</u> <del>public-private</del> project and the
257	responsible public entity intends to enter into a comprehensive
258	agreement for the project described in <u>the</u> such unsolicited
259	proposal, the <u>responsible</u> public entity shall publish notice in
260	the Florida Administrative Register and a newspaper of general
	Page 10 of 28
	5

2016

261 circulation at least once a week for 2 weeks stating that the 262 responsible public entity has received a proposal and will 263 accept other proposals for the same project. The timeframe 264 within which the responsible public entity may accept other 265 proposals shall be determined by the responsible public entity 266 on a project-by-project basis based upon the complexity of the 267 qualifying project and the public benefit to be gained by 268 allowing a longer or shorter period of time within which other 269 proposals may be received; however, the timeframe for allowing 270 other proposals must be at least 21 days, but no more than 120 271 days, after the initial date of publication. If approved by a 272 majority vote of the responsible public entity's governing body, 273 the responsible public entity may alter the timeframe for 274 accepting proposals to more adequately suit the needs of the 275 qualifying project. A copy of the notice must be mailed to each 276 local government in the affected area. 277 If the responsible public entity solicits proposals (C) under this section, the solicitation must include a design 278 279 criteria package prepared by an architect, engineer, or 280 landscape architect licensed in this state which is sufficient 281 to allow private entities to prepare a bid or a response. The 282 design criteria package must specify performance-based criteria 283 for the project, including the legal description of the site, 284 with survey information; interior space requirements; material 285 quality standards; schematic layouts and conceptual design 286 criteria for the project, with budget estimates; design and

Page 11 of 28

287 <u>construction schedules; and site and utility requirements</u> A 288 <del>responsible public entity that is a school board may enter into</del> 289 <del>a comprehensive agreement only with the approval of the local</del> 290 <del>governing body</del>.

(d) Before <u>approving a comprehensive agreement</u> approval, the responsible public entity must determine that the proposed project:

294

1. Is in the public's best interest.

295 2. Is for a facility that is owned by the responsible 296 public entity or for a facility for which ownership will be 297 conveyed to the responsible public entity.

3. Has adequate safeguards in place to ensure that additional costs or service disruptions are not imposed on the public in the event of material default or cancellation of the <u>comprehensive</u> agreement by the responsible public entity.

4. Has adequate safeguards in place to ensure that the
responsible public entity or private entity has the opportunity
to add capacity to the proposed project or other facilities
serving similar predominantly public purposes.

306 5. Will be owned by the responsible public entity upon
307 completion, expiration, or termination of the comprehensive
308 agreement and upon payment of the amounts financed.

(e) Before signing a comprehensive agreement, the responsible public entity must consider a reasonable finance plan that is consistent with subsection <u>(9)</u> <del>(11)</del>; the <u>qualifying</u> project cost; revenues by source; available financing; major

### Page 12 of 28

313 assumptions; internal rate of return on private investments, if 314 governmental funds are assumed in order to deliver a cost-315 feasible project; and a total cash-flow analysis beginning with 316 the implementation of the project and extending for the term of 317 the comprehensive agreement.

318 (f) In considering an unsolicited proposal, the 319 responsible public entity may require from the private entity a 320 technical study prepared by a nationally recognized expert with 321 experience in preparing analysis for bond rating agencies. In 322 evaluating the technical study, the responsible public entity 323 may rely upon internal staff reports prepared by personnel 324 familiar with the operation of similar facilities or the advice of external advisors or consultants who have relevant 325 326 experience.

327 <u>(4)(5)</u> PROJECT APPROVAL REQUIREMENTS.—An unsolicited 328 proposal from a private entity for approval of a qualifying 329 project must be accompanied by the following material and 330 information, unless waived by the responsible public entity:

(a) A description of the qualifying project, including the
conceptual design of the facilities or a conceptual plan for the
provision of services, and a schedule for the initiation and
completion of the qualifying project.

(b) A description of the method by which the private entity proposes to secure the necessary property interests that are required for the qualifying project.

338

(c) A description of the private entity's general plans

### Page 13 of 28

CODING: Words stricken are deletions; words underlined are additions.

for financing the qualifying project, including the sources of the private entity's funds and the identity of any dedicated revenue source or proposed debt or equity investment on behalf of the private entity.

343 (d) The name and address of a person who may be contacted344 for additional information concerning the proposal.

(e) The proposed user fees, lease payments, or other service payments over the term of a comprehensive agreement, and the methodology for and circumstances that would allow changes to the user fees, lease payments, and other service payments over time.

350 (f) Additional material or information that the 351 responsible public entity reasonably requests.

353 Any pricing or financial terms included in an unsolicited 354 proposal must be specific as to when the pricing or terms 355 expire.

356

352

(5) (6) PROJECT QUALIFICATION AND PROCESS.

(a) The private entity, or the applicable party or parties
of the private entity's team, must meet the minimum standards
contained in the responsible public entity's guidelines for
qualifying professional services and contracts for traditional
procurement projects.

362

(b) The responsible public entity must:

363 1. Ensure that provision is made for the private entity's364 performance and payment of subcontractors, including, but not

### Page 14 of 28

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

365 limited to, surety bonds, letters of credit, parent company 366 guarantees, and lender and equity partner guarantees. For the 367 components of the qualifying project which involve construction 368 performance and payment, bonds are required and are subject to 369 the recordation, notice, suit limitation, and other requirements 370 of s. 255.05.

2. Ensure the most efficient pricing of the security
package that provides for the performance and payment of
subcontractors.

374 3. Ensure that provision is made for the transfer of the 375 private entity's obligations if the comprehensive agreement 376 <u>addresses termination upon</u> is terminated or a material default 377 of the comprehensive agreement <del>occurs</del>.

After the public notification period has expired in 378 (C) 379 the case of an unsolicited proposal, the responsible public 380 entity shall rank the proposals received in order of preference. 381 In ranking the proposals, the responsible public entity may consider factors that include, but are not limited to, 382 383 professional qualifications, general business terms, innovative 384 design techniques or cost-reduction terms, and finance plans. 385 The responsible public entity may then begin negotiations for a 386 comprehensive agreement with the highest-ranked firm. If the 387 responsible public entity is not satisfied with the results of 388 the negotiations, the responsible public entity may terminate 389 negotiations with the proposer and negotiate with the second-390 ranked or subsequent-ranked firms, in the order consistent with

### Page 15 of 28

CODING: Words stricken are deletions; words underlined are additions.

391 this procedure. If only one proposal is received, the responsible public entity may negotiate in good faith, and if 392 393 the responsible public entity is not satisfied with the results 394 of the negotiations, the responsible public entity may terminate 395 negotiations with the proposer. Notwithstanding this paragraph, the responsible public entity may reject all proposals at any 396 397 point in the process until a contract with the proposer is 398 executed.

(d) The responsible public entity shall perform an independent analysis of the proposed public-private partnership which demonstrates the cost-effectiveness and overall public benefit before the procurement process is initiated or before the contract is awarded.

404 (e) The responsible public entity may approve the 405 development or operation of an educational facility, a 406 transportation facility, a water or wastewater management 407 facility or related infrastructure, a technology infrastructure 408 or other public infrastructure, or a government facility needed 409 by the responsible public entity as a qualifying project, or the design or equipping of a qualifying project that is developed or 410 411 operated, if:

412 1. There is a public need for or benefit derived from a 413 project of the type that the private entity proposes as the 414 qualifying project.

415 2. The estimated cost of the qualifying project is416 reasonable in relation to similar facilities.

### Page 16 of 28

CODING: Words stricken are deletions; words underlined are additions.

3. The private entity's plans will result in the timely
acquisition, design, construction, improvement, renovation,
expansion, equipping, maintenance, or operation of the
qualifying project.

(f) The responsible public entity may charge a reasonable fee to cover the costs of processing, reviewing, and evaluating the request, including, but not limited to, reasonable attorney fees and fees for financial and technical advisors or consultants and for other necessary advisors or consultants.

(g) Upon approval of a qualifying project, the responsible public entity shall establish a date for the commencement of activities related to the qualifying project. The responsible public entity may extend the commencement date.

(h) Approval of a qualifying project by the responsible
public entity is subject to entering into a comprehensive
agreement with the private entity.

433

(7) NOTICE TO AFFECTED LOCAL JURISDICTIONS.-

434 (a) The responsible public entity must notify each
435 affected local jurisdiction by furnishing a copy of the proposal
436 to each affected local jurisdiction when considering a proposal
437 for a qualifying project.

438 (b) Each affected local jurisdiction that is not a 439 responsible public entity for the respective qualifying project 440 may, within 60 days after receiving the notice, submit in 441 writing any comments to the responsible public entity and 442 indicate whether the facility is incompatible with the local

Page 17 of 28

CODING: Words stricken are deletions; words underlined are additions.

443 comprehensive plan, the local infrastructure development plan, the capital improvements budget, any development of regional 444 445 impact processes or timelines, or other governmental spending 446 plan. The responsible public entity shall consider the comments 447 of the affected local jurisdiction before entering into a 448 comprehensive agreement with a private entity. If an affected 449 local jurisdiction fails to respond to the responsible public 450 entity within the time provided in this paragraph, the 451 nonresponse is deemed an acknowledgment by the affected local 452 jurisdiction that the qualifying project is compatible with the 453 local comprehensive plan, the local infrastructure development 454 plan, the capital improvements budget, or other governmental 455 spending plan.

456 (6) (8) INTERIM AGREEMENT.-Before or in connection with the 457 negotiation of a comprehensive agreement, the responsible public 458 entity may enter into an interim agreement with the private 459 entity proposing the development or operation of the qualifying project. An interim agreement does not obligate the responsible 460 461 public entity to enter into a comprehensive agreement. The 462 interim agreement is discretionary with the parties and is not 463 required on a qualifying project for which the parties may 464 proceed directly to a comprehensive agreement without the need 465 for an interim agreement. An interim agreement must be limited 466 to provisions that:

467 (a) Authorize the private entity to commence activities468 for which it may be compensated related to the proposed

### Page 18 of 28

CODING: Words stricken are deletions; words underlined are additions.

qualifying project, including, but not limited to, project planning and development, design, environmental analysis and mitigation, survey, other activities concerning any part of the proposed qualifying project, and ascertaining the availability of financing for the proposed facility or facilities.

(b) Establish the process and timing of the negotiation ofthe comprehensive agreement.

(c) Contain such other provisions related to an aspect of the development or operation of a qualifying project that the responsible public entity and the private entity deem appropriate.

480

(7) (9) COMPREHENSIVE AGREEMENT.-

(a) Before developing or operating the qualifying project,
the private entity must enter into a comprehensive agreement
with the responsible public entity. The comprehensive agreement
must provide for:

1. Delivery of performance and payment bonds, letters of credit, or other security acceptable to the responsible public entity in connection with the development or operation of the qualifying project in the form and amount satisfactory to the responsible public entity. For the components of the qualifying project which involve construction, the form and amount of the bonds must comply with s. 255.05.

492 2. Review of the design for the qualifying project by the
493 responsible public entity and, if the design conforms to
494 standards acceptable to the responsible public entity, the

### Page 19 of 28

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

495 approval of the responsible public entity. This subparagraph 496 does not require the private entity to complete the design of 497 the qualifying project before the execution of the comprehensive 498 agreement.

3. Inspection of the qualifying project by the responsible public entity to ensure that the private entity's activities are acceptable to the <u>responsible</u> public entity in accordance with the comprehensive agreement.

4. Maintenance of a policy of public liability insurance, a copy of which must be filed with the responsible public entity and accompanied by proofs of coverage, or self-insurance, each in the form and amount satisfactory to the responsible public entity and reasonably sufficient to ensure coverage of tort liability to the public and employees and to enable the continued operation of the qualifying project.

510 5. Monitoring by the responsible public entity of the 511 maintenance practices to be performed by the private entity to 512 ensure that the qualifying project is properly maintained.

513 6. Periodic filing by the private entity of the 514 appropriate financial statements that pertain to the qualifying 515 project.

516 7. Procedures that govern the rights and responsibilities 517 of the responsible public entity and the private entity in the 518 course of the construction and operation of the qualifying 519 project and in the event of the termination of the comprehensive 520 agreement or a material default by the private entity. The

### Page 20 of 28

CODING: Words stricken are deletions; words underlined are additions.

521 procedures must include conditions that govern the assumption of 522 the duties and responsibilities of the private entity by an 523 entity that funded, in whole or part, the qualifying project or 524 by the responsible public entity, and must provide for the 525 transfer or purchase of property or other interests of the 526 private entity by the responsible public entity.

527 8. Fees, lease payments, or service payments. In 528 negotiating user fees, the fees must be the same for persons 529 using the facility under like conditions and must not materially 530 discourage use of the qualifying project. The execution of the 531 comprehensive agreement or a subsequent amendment is conclusive 532 evidence that the fees, lease payments, or service payments 533 provided for in the comprehensive agreement comply with this 534 section. Fees or lease payments established in the comprehensive 535 agreement as a source of revenue may be in addition to, or in 536 lieu of, service payments.

537 9. Duties of the private entity, including the terms and
538 conditions that the responsible public entity determines serve
539 the public purpose of this section.

540

(b) The comprehensive agreement may include:

1. An agreement by the responsible public entity to make grants or loans to the private entity from amounts received from the federal, state, or local government or an agency or instrumentality thereof.

545 2. A provision under which each entity agrees to provide 546 notice of default and cure rights for the benefit of the other

### Page 21 of 28

CODING: Words stricken are deletions; words underlined are additions.

547 entity, including, but not limited to, a provision regarding 548 unavoidable delays.

3. A provision that terminates the authority and duties of the private entity under this section and dedicates the qualifying project to the responsible public entity or, if the qualifying project was initially dedicated by an affected local jurisdiction, to the affected local jurisdiction for public use.

554 <u>(8)(10)</u> FEES.—<u>A comprehensive</u> An agreement entered into 555 pursuant to this section may authorize the private entity to 556 impose fees to members of the public for the use of the 557 facility. The following provisions apply to the <u>comprehensive</u> 558 agreement:

(a) The responsible public entity may develop new
facilities or increase capacity in existing facilities through <u>a</u>
<u>comprehensive agreement with a private entity</u> <del>agreements with</del>
<del>public-private partnerships</del>.

(b) The <u>comprehensive</u> <u>public-private partnership</u> agreement must ensure that the facility is properly operated, maintained, or improved in accordance with standards set forth in the comprehensive agreement.

567 (c) The responsible public entity may lease existing fee-568 for-use facilities through a <u>comprehensive</u> <del>public-private</del> 569 <del>partnership</del> agreement.

(d) Any revenues must be <u>authorized by and applied in the</u>
 <u>manner set forth in</u> regulated by the responsible public entity
 <del>pursuant to</del> the comprehensive agreement.

### Page 22 of 28

CODING: Words stricken are deletions; words underlined are additions.

(e) A negotiated portion of revenues from fee-generating
uses <u>may</u> must be returned to the <u>responsible</u> public entity over
the life of the comprehensive agreement.

576

(9) (11) FINANCING.-

(a) A private entity may enter into a private-source financing agreement between financing sources and the private entity. A financing agreement and any liens on the property or facility must be paid in full at the applicable closing that transfers ownership or operation of the facility to the responsible public entity at the conclusion of the term of the comprehensive agreement.

(b) The responsible public entity may lend funds to
private entities that construct projects containing facilities
that are approved under this section.

587 The responsible public entity may use innovative (C) 588 finance techniques associated with a public-private partnership 589 under this section, including, but not limited to, federal loans 590 as provided in Titles 23 and 49 C.F.R., commercial bank loans, 591 and hedges against inflation from commercial banks or other 592 private sources. In addition, the responsible public entity may 593 provide its own capital or operating budget to support a 594 qualifying project. The budget may be from any legally 595 permissible funding sources of the responsible public entity, 596 including the proceeds of debt issuances. A responsible public 597 entity may use the model financing agreement provided in s. 598 489.145(6) for its financing of a facility owned by a

### Page 23 of 28

CODING: Words stricken are deletions; words underlined are additions.

599 responsible public entity. A financing agreement may not require 600 the responsible public entity to indemnify the financing source, subject the responsible public entity's facility to liens in 601 violation of s. 11.066(5), or secure financing of by the 602 603 responsible public entity by a mortgage on, or security interest in, the real or tangible personal property of the responsible 604 605 public entity in a manner that could result in the loss of the 606 fee ownership of the property by the responsible public entity 607 with a pledge of security interest, and any such provision is 608 void.

609 (d) A responsible public entity shall appropriate on a
610 priority basis as required by the comprehensive agreement a
611 contractual payment obligation, annual or otherwise, from the
612 enterprise or other government fund from which the qualifying
613 projects will be funded. This required payment obligation must
614 be appropriated before other noncontractual obligations payable
615 from the same enterprise or other government fund.

616

617

(10) (12) POWERS AND DUTIES OF THE PRIVATE ENTITY.-

(a) The private entity shall:

618 1. Develop or operate the qualifying project in a manner
619 that is acceptable to the responsible public entity in
620 accordance with the provisions of the comprehensive agreement.

621 2. Maintain, or provide by contract for the maintenance or
622 improvement of, the qualifying project if required by the
623 comprehensive agreement.

624

3. Cooperate with the responsible public entity in making

### Page 24 of 28

CODING: Words stricken are deletions; words underlined are additions.

best efforts to establish interconnection between the qualifying project and any other facility or infrastructure as requested by the responsible public entity in accordance with the provisions of the comprehensive agreement.

629 4. Comply with the comprehensive agreement and any lease630 or service contract.

(b) Each private facility that is constructed pursuant to this section must comply with the requirements of federal, state, and local laws; state, regional, and local comprehensive plans; the responsible public entity's rules, procedures, and standards for facilities; and such other conditions that the responsible public entity determines to be in the public's best interest and that are included in the comprehensive agreement.

(c) The responsible public entity may provide services to
the private entity. An agreement for maintenance and other
services entered into pursuant to this section must provide for
full reimbursement for services rendered for qualifying
projects.

(d) A private entity of a qualifying project may provide
additional services for the qualifying project to the public or
to other private entities if the provision of additional
services does not impair the private entity's ability to meet
its commitments to the responsible public entity pursuant to the
comprehensive agreement.

649 <u>(11)(13)</u> EXPIRATION OR TERMINATION OF AGREEMENTS.—Upon the 650 expiration or termination of a comprehensive agreement, the

### Page 25 of 28

CODING: Words stricken are deletions; words underlined are additions.

2016

651 responsible public entity may use revenues from the qualifying 652 project to pay current operation and maintenance costs of the 653 qualifying project. If the private entity materially defaults 654 under the comprehensive agreement, the compensation that is 655 otherwise due to the private entity is payable to satisfy all 656 financial obligations to investors and lenders on the qualifying 657 project in the same way that is provided in the comprehensive 658 agreement or any other agreement involving the qualifying 659 project, if the costs of operating and maintaining the 660 qualifying project are paid in the normal course. Revenues in 661 excess of the costs for operation and maintenance costs may be 662 paid to the investors and lenders to satisfy payment obligations 663 under their respective agreements. A responsible public entity may terminate with cause and without prejudice a comprehensive 664 665 agreement and may exercise any other rights or remedies that may 666 be available to it in accordance with the provisions of the 667 comprehensive agreement. The full faith and credit of the responsible public entity may not be pledged to secure the 668 669 financing of the private entity. The assumption of the 670 development or operation of the qualifying project does not 671 obligate the responsible public entity to pay any obligation of 672 the private entity from sources other than revenues from the 673 qualifying project unless stated otherwise in the comprehensive 674 agreement.

675 <u>(12)(14)</u> SOVEREIGN IMMUNITY.—This section does not waive 676 the sovereign immunity of a responsible public entity, an

### Page 26 of 28

677 affected local jurisdiction, or an officer or employee thereof with respect to participation in, or approval of, any part of a 678 679 qualifying project or its operation, including, but not limited 680 to, interconnection of the qualifying project with any other 681 infrastructure or project. A county or municipality in which a 682 qualifying project is located possesses sovereign immunity with 683 respect to the project, including, but not limited to, its 684 design, construction, and operation. 685 (13) DEPARTMENT OF MANAGEMENT SERVICES.-686 (a) A responsible public entity may provide a copy of its 687 comprehensive agreement to the Department of Management 688 Services. A responsible public entity must redact any

689 <u>confidential or exempt information from the copy of the</u> 690 <u>comprehensive agreement before providing it to the Department of</u> 691 <u>Management Services.</u>

692 The Department of Management Services may accept and (b) 693 maintain copies of comprehensive agreements received from 694 responsible public entities for the purpose of sharing 695 comprehensive agreements with other responsible public entities. 696 This subsection does not require a responsible public (C) 697 entity to provide a copy of its comprehensive agreement to the 698 Department of Management Services. 699 (14) (15) CONSTRUCTION.

# 700 <u>(a)</u> This section shall be liberally construed to 701 effectuate the purposes of this section.

### Page 27 of 28

CODING: Words stricken are deletions; words underlined are additions.

702 This section shall be construed as cumulative and (b) supplemental to any other authority or power vested in or 703 704 exercised by the governing body board of a county, municipality, 705 special district, or municipal hospital or health care system 706 including those contained in acts of the Legislature 707 establishing such public hospital boards or s. 155.40. 708 This section does not affect any agreement or existing (C) 709 relationship with a supporting organization involving such 710 governing body board or system in effect as of January 1, 2013. 711 (d) (a) This section provides an alternative method and 712 does not limit a county, municipality, special district, or other political subdivision of the state in the  $\underline{procurement \ or}$ 713 714 operation of a qualifying project acquisition, design, or 715 construction of a public project pursuant to other statutory or 716 constitutional authority. 717 (e) (b) Except as otherwise provided in this section, this 718 section does not amend existing laws by granting additional powers to, or further restricting, a local governmental entity 719 720 from regulating and entering into cooperative arrangements with 721 the private sector for the planning, construction, or operation 722 of a facility. 723 (f) (c) This section does not waive any requirement of s. 724 287.055. 725 Section 2. This act shall take effect July 1, 2016.

### Page 28 of 28

CODING: Words stricken are deletions; words underlined are additions.

hb0095-01-c1