

By the Committee on Agriculture and Representative
Ziebarth

1 A bill to be entitled
2 An act relating to agriculture; creating ss.
3 570.251-570.2815, F.S.; creating the "Florida
4 Agricultural Development Act"; providing
5 legislative findings; providing definitions;
6 establishing the Florida Agricultural
7 Development Authority; providing powers and
8 duties; providing for membership of a board;
9 providing for terms of board members; providing
10 for organization of the board; providing
11 general powers of the authority; providing for
12 an executive director and specifying duties;
13 requiring an annual report; providing for the
14 use of surplus moneys by the authority;
15 providing for combination of state and federal
16 programs to facilitate the purposes of the
17 authority; establishing a beginning farmer loan
18 program; providing purposes of the loan
19 program; authorizing the authority to
20 participate in federal programs; requiring the
21 authority to provide for loan criteria by rule;
22 authorizing the authority to provide loan
23 requirements; authorizing the authority to make
24 loans to beginning farmers for agricultural
25 land and improvements and depreciable
26 agricultural property; authorizing the
27 authority to make loans to mortgage lenders and
28 other lenders; authorizing the authority to
29 purchase mortgage loans and secured loans from
30 mortgage lenders; providing powers of the
31 authority relating to loans; providing for the

1 issuance of bonds and notes by the authority;
2 authorizing the authority to establish bond
3 reserve funds; providing remedies of
4 bondholders and holders of notes; providing for
5 the pledging of bonds by the state; providing
6 that bonds and notes shall be considered legal
7 investments; providing requirements with
8 respect to funds of the authority; authorizing
9 examination of accounts by the Auditor General;
10 requiring a report; providing limitation of
11 liability for members of the authority;
12 requiring the assistance of state officers,
13 agencies, and departments; providing for
14 construction of the act; requiring disclosure
15 of specified conflicts of interest; prohibiting
16 certain participation in the event of a
17 conflict of interest; specifying conflicts of
18 interest with respect to the executive director
19 of the authority; providing exemption from
20 competitive bid laws; providing for receipt of
21 specified trust assets by the authority;
22 authorizing the authority to enter into
23 specified agreements; providing for liability;
24 providing for additional beginning farmer and
25 loan assistance programs; authorizing
26 additional beginning farmer loan program;
27 requiring the authority to establish and
28 develop an agricultural loan assistance
29 program; providing program criteria; requiring
30 the authority to create and develop alternative
31 agriculture assistance programs; providing for

1 the adoption of rules with respect to
2 enforcement of provisions relative to such
3 programs; authorizing the authority to bring
4 action for enforcement; creating s. 159.8082,
5 F.S.; establishing the agricultural development
6 bond pool; amending s. 159.804, F.S.; providing
7 for specific allocations of state volume
8 limitations to the agricultural development
9 bond pool; amending s. 159.809, F.S.; including
10 the agricultural development bond pool within
11 provisions relating to recapture of unused
12 amounts for addition to the state allocation
13 pool; providing an effective date.

14
15 Be It Enacted by the Legislature of the State of Florida:

16
17 Section 1. Sections 570.251, 570.252, 570.253,
18 570.254, 570.255, 570.256, 570.257, 570.258, 570.259, 570.260,
19 570.261, 570.262, 570.263, 570.264, 570.265, 570.266, 570.267,
20 570.268, 570.269, 570.270, 570.271, 570.272, 570.273, 570.274,
21 570.275, 570.276, 570.277, 570.278, 570.279, 570.280, and
22 570.2815, Florida Statutes, are created to read:

23 570.251 Short title.--Sections 570.251-570.2815 may be
24 cited as the "Florida Agricultural Development Act."

25 570.252 Legislative findings.--

26 (1) The Legislature has found and determined and does
27 hereby declare that the ability of citizens of the state to
28 pursue agricultural enterprises or enterprises related to
29 agribusiness has been detrimentally affected by causes and
30 events beyond the control of the state or its citizens,
31 including treaty-supported foreign competition, termination of

1 long-established federal subsidy programs, and a shortage of
2 funds from private market sources at rates of interest
3 available under revenue bond programs available to
4 nonagricultural industry in general. These conditions have
5 detrimentally affected the rural agriculture industry in this
6 state and have made the sale and purchase of agricultural land
7 by and among family farmers a virtual impossibility in many
8 parts of this state. The ordinary operation of private
9 enterprise has not corrected this situation. Such a state of
10 affairs has worked to the detriment of the economy and social
11 welfare of the state, and threatens to destroy the basic
12 fabric of rural agriculture, such as the family farm and rural
13 communities which depend on agribusiness. Florida farm policy
14 should enhance opportunities for people to generate farm
15 incomes comparable to other economic sectors. The United
16 States Congress has recognized the need to provide assistance
17 to the rural segment of the national economy and has
18 instituted programs to assist family farmers and agribusiness
19 by means of tax policy, as well as loans, grants, technology
20 transfers, and credit enhancements to qualified state
21 agencies. The Legislature should also encourage, by all
22 suitable means, intellectual, scientific, and agricultural
23 improvement in the rural parts of this state. The public good
24 is served by a policy of facilitating access to capital by
25 beginning farmers, existing farmers, and agribusinesses unable
26 to obtain capital elsewhere. It is therefore determined and
27 declared that there exist conditions in the state which
28 require the creation of a body politic with corporate power to
29 issue notes, bonds, and other evidences of indebtedness in
30 order to make or acquire loans for the acquisition or
31 development of agricultural lands, improvements, and

1 facilities. All of the purposes stated in this section are
2 public purposes and uses for which public moneys may be
3 borrowed, expended, advanced, loaned, or granted.

4 (2) The Legislature recognizes that many of the
5 programs approved by Congress in the Federal Agricultural
6 Improvement and Reform Act of 1996 that can supplement and
7 enhance the authority's mission as established herein are in
8 the process of being implemented; therefore, the authority
9 shall have broad powers to implement rules to carry out the
10 purposes set forth in this act to maximize the benefits to the
11 citizens of this state from all federal, state, local, or
12 private programs now available, or hereafter available as they
13 shall occur.

14 570.253 Definitions.--As used in this act, unless the
15 context otherwise requires:

16 (1) "Agricultural improvements" means any
17 improvements, buildings, structures, or fixtures suitable for
18 use in farming, producing, or processing agricultural products
19 which are located on agricultural land in this state.

20 "Agricultural improvements" includes any single-family
21 dwelling located on agricultural land which is or will be
22 occupied by a beginning farmer, and structures attached to or
23 incidental to the use of the dwelling.

24 (2) "Agricultural land" means land in this state
25 suitable for use in farming, producing, or processing
26 agricultural products, specifically including lands so
27 designated by the Land Acquisition and Management Advisory
28 Council established pursuant to s. 259.035.

29 (3) "Agricultural producer" means a person that
30 engages in the business of producing and marketing

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1 agricultural produce in this state, and shall include the word
2 "farmer."

3 (4) "Agricultural processor" means a person that
4 engages in the business of processing agricultural products
5 within this state, including, but not limited to, agricultural
6 commodities, agricultural byproducts, biomass energy and
7 organic compost processing, and any and all products made or
8 derived from agricultural or biomass stock as further defined
9 by the authority under rules promulgated pursuant to chapter
10 120.

11 (5) "Authority" means the Florida Agricultural
12 Development Authority established in s. 570.254.

13 (6) "Bankhead-Jones Farm Tenant Act" means the act
14 cited as 50 Stat. 522(1937), formerly codified as 7 U.S.C. s.
15 1000 et seq., repealed by Pub. L. No. 87-128 (1961).

16 (7) "Beginning farmer" means an individual,
17 partnership, corporation, limited liability company, limited
18 agricultural association as defined in s. 604.11, or trust
19 that engages in farming in this state and includes:

20 (a) First-time farmers and family farmers as described
21 in Internal Revenue Code section 147(c)(2), as from time to
22 time amended;

23 (b) Existing farmers who have, or who intend to,
24 transition out of existing agricultural activities into new or
25 alternative agricultural crops under rules promulgated by the
26 authority; and

27 (c) Such other farmers as are from time to time
28 designated by rules established by the authority.

29 (8) "Bonds" means bonds issued by the authority
30 pursuant to this act.

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1 (9) "Conservation farm equipment" means the
2 specialized planters, cultivators, and tillage equipment used
3 for reduced tillage or no-till planting of crops, including
4 anaerobic fermentation facilities, biomass processes, and
5 solid waste and water conservation equipment.

6 (10) "Depreciable agricultural property" means
7 personal property suitable for use in farming for which an
8 income tax deduction for depreciation is allowable in
9 computing federal income tax under the Internal Revenue Code.

10 (11) "FAIR Farm Act" means the Federal Agriculture
11 Improvement and Reform Act of 1996, 110 Stat. 889, et seq., as
12 from time to time amended.

13 (12) "Farming" means the cultivation of land in this
14 state for the production of any and all agricultural crops,
15 including biomass and fiber crops, citrus crops, the raising
16 of poultry and ratites, the production of eggs, the production
17 of milk, the production of fruits, nuts, vegetables, flowers,
18 ferns, or other horticultural crops, grazing and forage
19 production, the production of swine, livestock, farm-raised
20 deer, aquaculture, hydroponics, organics, silviculture, the
21 production of forest products, or other such activities
22 designated by the authority by rules subject to chapter 120.

23 (13) "Internal Revenue Code" means the Internal
24 Revenue Code of 1986, as from time to time amended.

25 (14) "Lending institution" means a bank, credit union,
26 trust company, mortgage company, national banking association,
27 savings and loan association, insurance company, any state or
28 federal governmental agency or instrumentality, including,
29 without limitation, the federal land bank or the consolidated
30 farm service agency or any of its local associations, or any
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1 other financial institution or entity authorized to make farm
2 loans in this state.

3 (15) "Mortgage" means a mortgage, mortgage deed, deed
4 of trust, or other instrument creating a first lien, subject
5 only to title exceptions and encumbrances acceptable to the
6 authority, including any other mortgage liens of equal
7 standing with or subordinate to the mortgage loan retained by
8 a seller or conveyed to a mortgage lender, on a fee interest
9 in agricultural land and agricultural improvements.

10 (16) "Mortgage lender" means a bank, trust company,
11 mortgage company, national banking association, savings and
12 loan association, insurance company, any state or federal
13 governmental agency or instrumentality, including, without
14 limitation, the federal land bank or any of its local
15 associations, or any other financial institution or public or
16 private entity authorized to make mortgage loans or secured
17 loans in this state.

18 (17) "Mortgage loan" means a financial obligation
19 secured by a mortgage.

20 (18) "Note" means a bond anticipation note or other
21 obligation or evidence of indebtedness issued by the authority
22 pursuant to this act.

23 (19) "Soil and water conservation practices" have the
24 meaning described in chapter 582, and shall include solid
25 waste and waste water disposal systems, anaerobic fermentation
26 systems, and other facilities designed to process agricultural
27 soil, water, and matter in an environmentally responsible
28 manner.

29 (20) "Secured loan" means a financial obligation
30 secured by a chattel mortgage, security agreement, or other
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1 instrument creating a lien on an interest in depreciable
2 agricultural property.

3 (21) "State agency" means any board, commission,
4 department, public officer, or other agency or authority of
5 the State of Florida.

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7 The authority may establish by rule further definitions
8 applicable to this act and may clarify definitions in this
9 section, as necessary to assure eligibility for funds,
10 insurance, or guarantees available under federal, state, or
11 local laws, to assure compliance with federal tax law and
12 regulations under the Internal Revenue Code and applicable
13 state statutes, and to carry out the public purposes of this
14 act.

15 570.254 Establishment of authority; powers and duties;
16 board; earnings.--

17 (1) There is hereby created a body politic and
18 corporate to be known as the Florida Agricultural Development
19 Authority. The authority is constituted a public
20 instrumentality and agency of the state exercising public and
21 essential governmental functions. The authority is established
22 for the purpose of undertaking:

23 (a) Programs within the state which assist farmers,
24 beginning farmers and agribusiness in purchasing, leasing, or
25 otherwise acquiring agricultural land, improvements,
26 technology, and depreciable agricultural property for the
27 purpose of farming.

28 (b) Programs which provide financing to farmers for
29 soil and water conservation practices.

30 (c) Programs that promote diversification of the farm
31 economy in this state through the growth and development of

1 new crops or livestock not customarily grown or produced in
2 this state or that emphasize a vertical integration of
3 agricultural products produced or raised in this state into a
4 finished agricultural product or byproduct for consumption or
5 use.

6 (d) Programs to assist in financing operating expenses
7 and cash-flow requirements of farming.

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9 The authority shall also develop programs to assist qualified
10 producers, processors, and manufacturers of agriculture
11 products and support organizations within the state with
12 financing research and development and other capital
13 requirements or operating expenses.

14 (2) The powers of the authority are vested in and
15 exercised by a board of nine members, including the
16 commissioner or the commissioner's designee, who shall be an
17 ex officio nonvoting member, except in the case of a tie vote.
18 There shall be five standing members of the board who shall be
19 designated, one each, by the following:

20 (a) The Florida Farm Bureau Federation.

21 (b) The Institute of Food and Agricultural Sciences of
22 the University of Florida.

23 (c) The Florida Agricultural and Mechanical
24 University.

25 (d) The Florida Agricultural Resources and
26 Mobilization Foundation, Inc. (FARM Foundation).

27 (e) The Technological Research and Development
28 Authority.

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30 Additionally, three at-large members shall be appointed by the
31 commissioner who shall include persons who represent financial

1 institutions with experience in agricultural lending, farmers,
2 beginning farmers, and other persons specially interested in
3 agriculture and family farm development.

4 (3) The standing members of the board shall be
5 appointed for terms of 4 years and the members appointed by
6 the commissioner shall serve terms of 3 years. A person
7 appointed to fill a vacancy shall serve only for the unexpired
8 portion of the term. A member of the board is eligible for
9 reappointment. An appointed member may be removed from office
10 by the commissioner for misfeasance, malfeasance, or willful
11 neglect of duty or other just cause, after notice and hearing,
12 unless the notice and hearing is expressly waived in writing.
13 An appointed member of the authority may also serve as a
14 member of any other authority or association.

15 (4) The members shall elect a chair and a vice chair
16 annually, and other officers as they determine; however, the
17 executive director of the authority shall serve as secretary
18 to the board. Meetings of the board shall be held at the call
19 of the chair or whenever two members so request and may be
20 held telephonically as provided in the bylaws of the
21 authority.

22 (5) Five voting members of the board constitute a
23 quorum and the affirmative vote of a majority of the voting
24 members is necessary for any substantive action taken by the
25 board. The majority shall not include any member who has a
26 conflict of interest. A statement by a member that he or she
27 has a conflict of interest is conclusive for this purpose. A
28 vacancy in the membership does not impair the right of a
29 quorum to exercise all rights and perform all duties of the
30 board.

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1 (6) The members of the board shall receive per diem
2 and travel expenses as provided in s. 112.061 while in
3 performance of their duties.

4 (7) The members of the board shall give bond as
5 required by law for public officers.

6 (8) The net earnings of the authority, beyond that
7 necessary for retirement of its notes, bonds, or other
8 obligations or to implement authorized public purposes and
9 programs, shall not inure to the benefit of any person other
10 than the state. Upon termination of the existence of the
11 authority, title to all property owned by the authority,
12 including any net earnings, shall vest in the state.

13 570.255 General powers.--The authority has all of the
14 general powers necessary to carry out its purposes and duties,
15 and to exercise its specific powers, including, but not
16 limited to, the power to:

17 (1) Issue negotiable bonds and notes as provided in
18 this act in order to finance its programs.

19 (2) Sue and be sued in its own name.

20 (3) Have and alter a corporate seal.

21 (4) Make and alter bylaws for its management and
22 programs consistent with the provisions of this act.

23 (5) Make and execute agreements, contracts, and other
24 instruments with any public or private entity, including, but
25 not limited to, any federal governmental agency or
26 instrumentality. The authority may make and execute contracts
27 with any firm of independent certified public accountants to
28 prepare an annual report on behalf of the authority. The
29 authority may make and execute contracts with mortgage
30 lenders, insurance companies, or others for the servicing of
31 mortgage and secured loans. All political subdivisions,

1 including federal, state, and local agencies may enter into
2 contracts and otherwise cooperate with the authority.

3 (6) Lease, purchase, accept a gift or donation of, or
4 otherwise acquire, use, own, hold, improve, or otherwise deal
5 in or with, real or personal property, and sell, convey,
6 mortgage, pledge, lease, exchange, or otherwise dispose of,
7 any assets, loans and equity interests acquired in the
8 financing of projects funded by the authority, and any other
9 property or interest in property, as the board considers
10 necessary in the transaction of the business of the authority,
11 except that this paragraph shall not provide authority for
12 carrying out a program of real estate investment.

13 (7) Procure insurance against any loss in connection
14 with its operations and property interests, including pool
15 insurance on any group of mortgage or secured loans.

16 (8) Fix and collect fees and charges for its services.

17 (9) Subject to an agreement with bondholders or
18 noteholders, invest or deposit moneys of the authority in a
19 manner determined by the authority, notwithstanding the
20 provisions of chapters 215 and 216.

21 (10) Accept appropriations, gifts, grants, loans, or
22 other aid from public or private entities. A record of all
23 gifts or grants, stating the type, amount, and donor, shall be
24 clearly set out in the authority's annual report along with
25 the record of other receipts.

26 (11) Provide to public and private entities with
27 technical assistance, education, counseling, and grants to
28 assist the authority in matters related to the authority's
29 purposes.

30 (12) In cooperation with other local, state, or
31 federal governmental agencies or instrumentalities, conduct

1 studies of agricultural needs of the beginning farmer,
2 agricultural producer, and processor, and gather, compile, and
3 exchange with similar authorities and agencies in other states
4 data useful to facilitate decisionmaking.

5 (13) Contract with accountants, architects, attorneys,
6 economists, engineers, housing construction and finance
7 experts, and other advisors, or enter into contracts or
8 agreements for such services with local, state, or federal
9 governmental agencies.

10 (14) Make, enter into, and execute such contracts,
11 agreements, leases, and other instruments with any person,
12 partnership, corporation, limited liability company, limited
13 agricultural association or trust, including, without
14 limitation, any federal, state, or local governmental agency,
15 and to take such other actions as may be necessary or
16 convenient to accomplish any purpose for which the authority
17 was organized or to exercise any power expressly granted
18 hereunder.

19 (15) Subject to the provisions of chapter 120, make,
20 alter, and repeal rules consistent with the provisions of this
21 act.

22 570.256 Executive director.--

23 (1) The executive director of the authority shall be
24 appointed by the board and shall serve at the pleasure of the
25 authority. The executive director shall be selected primarily
26 for administrative ability and knowledge in the field, without
27 regard to political affiliation.

28 (2) The executive director shall not, directly or
29 indirectly, exert influence to induce any other officers or
30 employees of the state to adopt a political view, or to favor
31 a political candidate for office.

1 (3) The executive director shall advise the authority
2 on matters relating to agricultural land and property and
3 finance; carry out all directives from the authority; and hire
4 and supervise the authority's staff, which shall include a
5 general counsel to advise and assist the executive director in
6 carrying out the purposes of this act, pursuant to the
7 direction of the board.

8 (4) The executive director, as secretary of the
9 authority, shall be custodian of all books, documents, minute
10 books, seal, and papers filed with the authority. The
11 executive director may cause to be made copies of all minutes
12 and other records and documents of the authority and shall
13 give certificates under the seal of the authority that the
14 copies are true copies and that all persons dealing with the
15 authority may rely upon the certificates.

16 570.257 Annual report.--

17 (1) The authority shall submit to the Governor, the
18 President of the Senate and the Speaker of the House of
19 Representatives, not later than February 15 of each year, a
20 complete and economically designed and reproduced report
21 setting forth:

22 (a) The operations and accomplishments of the
23 authority.

24 (b) The authority's receipts and expenditures during
25 the fiscal year, in accordance with the classifications it
26 establishes for its operating and capital accounts.

27 (c) The authority's assets and liabilities at the end
28 of its fiscal year and the status of reserve, special, and
29 other funds.

30 (d) A schedule of the authority's bonds and notes
31 outstanding at the end of its fiscal year, together with a

1 statement of the amounts redeemed and issued during its fiscal
2 year.

3 (e) A statement of the authority's proposed and
4 projected activities.

5 (f) Recommendations to the Legislature, as the
6 authority deems necessary.

7 (g) An analysis of the needs of beginning farmers and
8 other farmers in the state, as well as agribusiness projects
9 funded by the authority.

10 (2) The annual report shall identify performance goals
11 of the authority and clearly indicate the extent of progress
12 during the reporting period in attaining the goals. Where
13 possible, results shall be expressed in terms of number of
14 loans and acres of agricultural land, establishment of new or
15 alternative agricultural crops, and value-added programs for
16 Florida farmers and agribusiness.

17 570.258 Surplus moneys.--Moneys declared by the
18 authority to be surplus moneys which are not required to
19 service bonds and notes, to pay administrative expenses of the
20 authority, or to accumulate necessary operating or loss
21 reserves shall be used by the authority to provide loans,
22 grants, subsidies, and other services or assistance to
23 beginning farmers or agricultural producers through any of the
24 programs authorized in this act.

25 570.259 Combination programs.--Programs authorized in
26 this act may be combined with any other programs authorized in
27 this act or any other chapter of the Florida Statutes or under
28 any federal program or programs of any other state in order to
29 facilitate, as far as practicable, the acquisition and
30 ownership of agricultural land and property by beginning or
31 existing farmers or to facilitate the implementation of soil

1 and water conservation practices, the implementation of new
2 and alternative agricultural crops in this state, and the
3 implementation of the technology transfer between the United
4 States Department of Agriculture, the State of Florida, and
5 the Technological Development Research Authority.

6 570.260 Beginning farmer loan program.--

7 (1) The authority shall develop a beginning farmer
8 loan program to facilitate the acquisition of agricultural
9 land and improvements and depreciable agricultural property by
10 beginning farmers. The authority shall exercise the powers
11 granted to it in this act in order to fulfill the goal of
12 providing financial assistance to beginning farmers in the
13 acquisition of agricultural land and improvements and
14 depreciable agricultural property. The authority may
15 participate in and cooperate with programs of the United
16 States Department of Agriculture Consolidated Farm Service
17 Agency, federal land bank, or any other agency or
18 instrumentality of the Federal Government or with any program
19 of any other state agency in the administration of the
20 beginning farmer loan program and in the making or purchasing
21 of bonds, notes, mortgages, or secured loans pursuant to this
22 act.

23 (2) The authority may participate in any federal
24 programs designed to assist beginning farmers or in any
25 related federal or state programs.

26 (3) The authority shall provide by rule the criteria
27 upon which loans to or on behalf of a beginning farmer program
28 will provide and shall ensure that such rules comply with the
29 United States Internal Revenue Code, as from time to time
30 amended, for "first-time farmers" under Section 147 of the
31 Internal Revenue Code.

1 (4) The authority may provide in a mortgage or secured
2 loan made or purchased pursuant to this act that the loan may
3 not be assumed or that any interest in the agricultural land
4 or improvements or depreciable agricultural property may not
5 be leased, sold, or otherwise conveyed without its prior
6 written consent and may provide a due-on-sale clause with
7 respect to the occurrence of any of the foregoing events
8 without its prior written consent. The authority may provide
9 by rule the grounds for permitted assumptions of a mortgage or
10 for the leasing, sale, or other conveyance of any interest in
11 the agricultural land or improvements. The authority shall,
12 however, provide and state in a mortgage or secured loan that
13 the authority has the power to raise the interest rate of the
14 loan to the prevailing market rate if the mortgage or secured
15 loan is assumed by a farmer who is already established in that
16 field at the time of the assumption of the loan.

17 (5) The authority may participate in any interest in
18 any mortgage or secured loan made or purchased pursuant to
19 this act with a mortgage or other lender. The participation
20 interest may be on a parity with the interest in the mortgage
21 or secured loan retained by the authority, equally and ratably
22 secured by the mortgage or securing agreement securing the
23 mortgage or secured loan.

24 570.261 Loans to beginning farmers.--

25 (1) The authority may make mortgage or secured loans,
26 including, but not limited to, mortgage or secured loans
27 insured, guaranteed, or otherwise secured by the Federal
28 Government or a federal governmental agency or
29 instrumentality, a state agency, or private mortgage insurers,
30 to beginning farmers to provide financing for agricultural
31 land and improvements or depreciable agricultural property.

1 (2) Mortgage or secured loans shall contain terms and
2 provisions, including interest rates, and be in a form
3 established by rules of the authority. The authority may
4 require the beginning farmer to execute a note, loan
5 agreement, or other evidence of indebtedness and furnish
6 additional assurances and guarantees, including insurance,
7 reasonably related to protecting the security of the mortgage
8 or secured loan, as the authority deems necessary.

9 570.262 Loans to mortgage lenders and other lenders.--

10 (1) The authority may make and contract to make loans
11 to mortgage lenders or other lenders on terms and conditions
12 it determines are reasonably related to protecting the
13 security of the authority's investment and to implementing the
14 purposes of this act. Mortgage lenders are authorized to
15 borrow from the authority in accordance with the provisions of
16 this section and the rules of the authority.

17 (2) The authority shall require as a condition of each
18 loan to a mortgage lender that the mortgage lender, within a
19 reasonable period after receipt of the loan proceeds as the
20 authority prescribes by rule, shall have entered into written
21 commitments to make and, within a reasonable period thereafter
22 as the authority prescribes by rule, shall have disbursed the
23 loan proceeds in new mortgage or secured loans to beginning
24 farmers in an aggregate principal amount of not less than the
25 amount of the loan. New mortgage or secured loans shall have
26 terms and conditions as the authority prescribes by rules
27 which are reasonably related to implementing the purposes of
28 this act.

29 570.263 Purchase of loans.--

30 (1) The authority may purchase and make advance
31 commitments to purchase mortgage or secured loans from

1 mortgage lenders at prices and upon terms and conditions as it
2 determines. However, the total purchase price for all mortgage
3 or secured loans which the authority commits to purchase from
4 a mortgage lender at any one time shall not exceed the total
5 of the unpaid principal balances of the mortgage or secured
6 loans purchased. Mortgage lenders are authorized to sell
7 mortgage or secured loans to the authority in accordance with
8 the provisions of this section and the rules of the authority.

9 (2) The authority shall require as a condition of
10 purchase of mortgage or secured loans from mortgage lenders
11 that the mortgage lenders certify that the mortgage or secured
12 loans purchased are loans made to beginning farmers. Mortgage
13 or secured loans to be made by mortgage lenders shall have
14 terms and conditions as the authority prescribes by rule. The
15 authority may make a commitment to purchase mortgage or
16 secured loans from mortgage lenders in advance of the time the
17 loans are made by mortgage lenders. The authority shall
18 require as a condition of a commitment that mortgage lenders
19 certify in writing that all mortgage or secured loans
20 represented by the commitment will be made to beginning
21 farmers and that the mortgage lender will comply with other
22 authority specifications.

23 570.264 Powers relating to loans.--Subject to any
24 agreement with bondholders or noteholders, the authority may
25 renegotiate a mortgage or secured loan or a loan to a mortgage
26 lender in default, waive a default or consent to the
27 modification of the terms of a mortgage or secured loan or a
28 loan to a mortgage lender, forgive or forbear all or part of a
29 mortgage or secured loan or a loan to a mortgage lender, and
30 commence, prosecute, and enforce a judgment in any action,
31 including, but not limited to, a foreclosure action, to

1 protect or enforce any right conferred upon it by law,
2 mortgage or secured loan agreement, contract, or other
3 agreement and, in connection with any action, bid for and
4 purchase the property or acquire or take possession of it,
5 complete, administer, pay the principal of and interest on any
6 obligations incurred in connection with the property, and
7 dispose of and otherwise deal with the property in a manner
8 the authority deems advisable to protect its interests.

9 570.265 Bonds and notes.--

10 (1) The authority may issue its negotiable bonds and
11 notes in principal amounts which, in the opinion of the
12 authority, are necessary to provide sufficient funds for
13 achievement of its corporate purposes, the payment of interest
14 on its bonds and notes, the establishment of reserves to
15 secure its bonds and notes, and all other expenditures of the
16 authority incident to and necessary or convenient to carry out
17 its purposes and powers. The bonds and notes shall be deemed
18 to be investment securities and negotiable instruments within
19 the meaning of and for all purposes of the Uniform Commercial
20 Code.

21 (2) Bonds and notes are payable solely and only out of
22 the moneys, assets, or revenues of the authority and as
23 provided in the agreement with bondholders or noteholders
24 pledging any particular moneys, assets, or revenues. Bonds or
25 notes are not an obligation of this state or any political
26 subdivision of this state other than the authority within the
27 meaning of any constitutional or statutory debt limitations,
28 but are special obligations of the authority payable solely
29 and only from the sources provided in this act, and the
30 authority shall not pledge the credit or taxing power of this
31 state or any political subdivision of this state other than

1 the authority or make its debts payable out of any moneys
2 except those of the authority.

3 (3) Bonds and notes must be authorized by a resolution
4 of the authority. A resolution authorizing the issuance of
5 bonds or notes may, however, delegate to an officer of the
6 authority the power to negotiate and fix the details of an
7 issue of bonds or notes by an appropriate certificate of the
8 authorized officer.

9 (4) In addition to any notice required from time to
10 time under the Internal Revenue Code for federally tax exempt
11 bonds, the authority shall publish a notice of intention to
12 issue bonds or notes in a newspaper of general circulation
13 published in the state. The notice shall include a statement
14 of the maximum amount of bonds or notes proposed to be issued
15 and, in general, what net revenues will be pledged to pay the
16 bonds or notes and interest thereon. An action shall not be
17 brought questioning the legality of the bonds or notes or the
18 power of the authority to issue the bonds or notes or as to
19 the legality of any proceedings in connection with the
20 authorization or issuance of the bonds or notes after 60 days
21 from the date of publication of the notice.

22 (5) Bonds and notes issued by the authority for
23 purposes of financing the beginning farmer loan program
24 provided in s. 570.260 are exempt from all taxation by the
25 state including, but not limited to, income, documentary stamp
26 taxes, and intangible taxes, and interest earned on the bonds
27 and notes is deductible in determining net income for purposes
28 of the corporate income tax under chapter 220.

29 570.266 Reserve funds and appropriations.--The
30 authority may create and establish one or more special funds,
31 each to be known as a "bond reserve fund" and shall pay into

1 each bond reserve fund any moneys appropriated and made
2 available by the state for the purpose of the fund, any
3 proceeds of the sale of notes or bonds to the extent provided
4 in the resolutions of the authority authorizing their
5 issuance, and any other moneys which are available to the
6 authority for the purpose of the fund from any other sources.
7 Moneys held in a bond reserve fund, except as otherwise
8 provided in this act, shall be used as required solely for the
9 payment of the principal of bonds secured in whole or in part
10 by the fund or of the sinking fund payments with respect to
11 the bonds, the purchase or redemption of the bonds, the
12 payment of interest on the bonds, or the payments of any
13 redemption premium required to be paid when the bonds are
14 redeemed prior to maturity.

15 570.267 Remedies of bondholders and noteholders.--

16 (1) If the authority defaults in the payment of
17 principal or interest on an issue of bonds or notes at
18 maturity or upon call for redemption and the default continues
19 for a period of 30 days or if the authority fails or refuses
20 to comply with the provisions of this act or defaults in an
21 agreement made with the holders of an issue of bonds or notes,
22 the holders of 25 percent in aggregate principal amount of
23 bonds or notes of the issue then outstanding, by instrument
24 filed in the office of the clerk of the county in which the
25 principal office of the authority is located and proved or
26 acknowledged in the same manner as a deed to be recorded, may
27 appoint a trustee to represent the holders of the bonds or
28 notes for the purposes provided in this section.

29 (2) The authority or any trustee appointed under the
30 indenture under which the bonds or notes are issued may, but
31 upon written request of the holders of 25 percent in aggregate

1 principal amount of the issue of bonds or notes then
2 outstanding shall:
3 (a) Enforce all rights of the bondholders or
4 noteholders including the right to require the authority to
5 carry out its agreements with the holders and to perform its
6 duties under this act.
7 (b) Bring suit upon the bonds or notes.
8 (c) By action, require the authority to account as if
9 it were the trustee of an express trust for the holders.
10 (d) By action, enjoin any acts or things which are
11 unlawful or in violation of the rights of the holders.
12 (e) Declare all the bonds or notes due and payable
13 and, if all defaults are made good, then with the consent of
14 the holders of 25 percent of the aggregate principal amount of
15 the issue of bonds or notes then outstanding annul the
16 declaration and its consequences.
17 (3) The trustee shall also have all powers necessary
18 or appropriate for the exercise of functions specifically set
19 forth or incident to the general representation of bondholders
20 or noteholders in the enforcement and protection of their
21 rights.
22 (4) Before declaring the principal of bonds or notes
23 due and payable, the trustee shall first give 30 days' notice
24 in writing to the Governor, to the authority, and to the
25 Attorney General.
26 (5) The circuit court has jurisdiction of any action
27 by the trustee on behalf of bondholders or noteholders. The
28 venue of the action shall be in the county in which the
29 principal office of the authority is located.
30
31

1 The bondholders or noteholders may, to the extent provided in
2 the resolution to which the bonds or notes were issued or in
3 its agreement with the authority, enforce any of the remedies
4 in paragraphs (2)(a)-(e) or the remedies provided in such
5 proceedings or agreements for and on their own behalf.

6 570.268 Agreement of the state.--The state pledges and
7 agrees with the holders of any bonds or notes that the state
8 will not limit or alter the rights vested in the authority to
9 fulfill the terms of agreements made with the holders of such
10 bonds or notes or in any way impair the rights and remedies of
11 the holders of such bonds or notes until the bonds or notes
12 together with the interest thereon, plus interest on unpaid
13 installments of interest, and all costs and expenses in
14 connection with an action by or on behalf of the holders of
15 such bonds are fully met and discharged. The authority may
16 include this pledge and agreement of the state in any
17 agreement with the holders of bonds or notes.

18 570.269 Bonds and notes as legal investments.--Bonds
19 and notes are securities in which public officers, state
20 departments and agencies, political subdivisions, pension and
21 retirement funds, insurance companies and other persons
22 carrying on an insurance business, banks, trust companies,
23 savings and loan associations, investment companies, credit
24 unions, and other persons carrying on a banking business,
25 administrators, executors, guardians, conservators, trustees
26 and other fiduciaries, and other persons authorized to invest
27 in bonds or other obligations of this state may properly and
28 legally invest funds including capital in their control or
29 belonging to them. Bonds and notes are also securities which
30 may be deposited with and received by public officers, state
31 departments and agencies, and political subdivisions for any

1 purpose for which the deposit of bonds or other obligations of
2 this state is authorized.

3 570.270 Moneys of the authority.--

4 (1) Moneys of the authority, except as otherwise
5 provided in this act, shall be paid to the authority and shall
6 be deposited in a bank or other financial institution
7 designated by the authority. The moneys of the authority shall
8 be withdrawn on the order of the person authorized by the
9 authority. Deposits shall be secured in the manner determined
10 by the authority. The Auditor General may periodically examine
11 the accounts and books of the authority, including its
12 receipts, disbursements, contracts, leases, sinking funds,
13 investments, and any other records and papers relating to its
14 financial standing. The authority shall not be required to pay
15 a fee for the examination.

16 (2) The authority may contract with holders of its
17 bonds or notes as to the custody, collection, security,
18 investment, and payment of moneys of the authority, of moneys
19 held in trust or otherwise for the payment of bonds or notes
20 and to carry out the contract. Moneys held in trust or
21 otherwise for the payment of bonds or notes or in any way to
22 secure bonds or notes and deposits of the moneys may be
23 secured in the same manner as moneys of the authority, and
24 banks and trust companies may give security for the deposits.

25 (3) Subject to the provisions of any contract with
26 bondholders or noteholders, the authority shall prescribe a
27 system of accounts.

28 (4) The authority shall submit to the Governor, the
29 Auditor General, the President of the Senate, and the Speaker
30 of the House of Representatives within 30 days of receipt by
31 the authority, a copy of the report of every external

1 examination of the books and accounts of the authority other
2 than copies of the reports of examinations made by the Auditor
3 General.

4 570.271 Limitation of liability.--Members of the
5 authority and persons acting in its behalf, while acting
6 within the scope of their employment or agency, are not
7 subject to personal liability resulting from carrying out the
8 powers and duties given in this act, and the authority may
9 carry such insurance or other indemnification for any actions
10 arising out of such duties.

11 570.272 Assistance by state officers, agencies, and
12 departments.--State officers, departments, and agencies shall
13 render services to the authority within their respective
14 functions as requested by the authority.

15 570.273 Liberal interpretation.--This act, being
16 necessary for the welfare of this state and its inhabitants,
17 shall be liberally construed to effect its purposes.

18 570.274 Conflicts of interest.--

19 (1) If a member or employee other than the executive
20 director of the authority has an interest, either direct or
21 indirect, in a contract to which the authority is or is to be
22 a party or in a mortgage lender or other lender requesting a
23 loan from or offering to sell mortgage or secured loans to the
24 authority, the interest shall be disclosed to the authority in
25 writing and shall be set forth in the minutes of the
26 authority. The member or employee having the interest shall
27 not participate in an action by the authority with respect to
28 such contract or mortgage lender or other lender.

29 (2) This section does not limit the right of a member,
30 officer, or employee of the authority to acquire an interest
31 in bonds or notes or to limit the right of a member or

1 employee other than the executive director to have an interest
2 in a bank, insurance company, or other financial institution
3 in which the funds of the authority are deposited or which is
4 acting as trustee or paying agent under a trust indenture to
5 which the authority is a party; nor does this section, except
6 as to the disclosures required by subsection (1), preclude an
7 insurance company or financial institution in which an
8 authority board member or employee, other than the executive
9 director, has an interest from placing insurance, funding
10 bonds, or acquiring or selling notes, mortgages, or other
11 obligations of the authority.

12 (3) The executive director shall not have an interest
13 in a bank or other financial institution in which the funds of
14 the authority are deposited or which is acting as trustee or
15 paying agent under a trust indenture to which the authority is
16 a party. The executive director shall not receive, in addition
17 to fixed salary or compensation, any money or valuable thing,
18 either directly or indirectly or through any substantial
19 interest in any other corporation or business unit, for
20 negotiating, procuring, recommending, or aiding in any
21 purchase or sale of property or loan made by the authority,
22 nor shall the executive director be pecuniarily interested,
23 either as principal, co-principal, agent, or beneficiary,
24 either directly or indirectly or through any substantial
25 interest in any other corporation or business unit, in any
26 purchase, sale, or loan.

27 570.275 Exemption from competitive bid laws.--The
28 authority and all contracts made by it in carrying out its
29 public and essential governmental functions shall be exempt
30 from the laws of the state which provide for competitive bids
31 in connection with such contracts.

1 570.276 Trust assets.--The authority shall make
2 application to, and receive from, the United States Secretary
3 of Agriculture, or any other proper federal official, pursuant
4 and subject to the provisions of Pub. L. No. 499, 64 Stat. 152
5 (1950), formerly codified 40 U.S.C. 440 et seq. (1976), all of
6 the trust assets held by the United States in trust for the
7 Florida Rural Rehabilitation Corporation, now dissolved.

8 570.277 Agreements.--The authority may enter into
9 agreements with the United States Secretary of Agriculture
10 pursuant to Pub. L. No. 499 s. 2(f) (1950) upon terms and
11 conditions and for periods of time as are mutually agreeable,
12 authorizing the authority to accept, administer, expend, and
13 use in the State of Florida all or any part of the trust
14 assets or other funds in the state which have been
15 appropriated for use in carrying out the purposes of the
16 Bankhead-Jones Farm Tenant Act and to do any and all things
17 necessary to effectuate and carry out the purposes of said
18 agreements.

19 570.278 Liability.--The United States, the authority,
20 and the United States Secretary of Agriculture shall be held
21 free from liability by virtue of the transfer of assets to the
22 Florida Agricultural Development Authority as specified in
23 this act.

24 570.279 Additional beginning farmer loan program.--
25 (1) The authority may enter into a loan agreement with
26 a beginning farmer to finance, in whole or in part, the
27 acquisition by construction or purchase of agricultural land,
28 agricultural improvements, or depreciable agricultural
29 property in excess of the limits of s. 147 of the Internal
30 Revenue Code, as from time to time amended. The repayment
31 obligation of the beginning farmer may be unsecured, or may be

1 secured by a mortgage or security agreement or by other
2 security as the authority deems advisable, and may be
3 evidenced by one or more notes of the beginning farmer and may
4 be in conjunction with other federal, state, or local loan
5 programs or grants or by the authority alone. The loan
6 agreement may contain terms and conditions as the authority
7 deems advisable, as provided by rule.

8 (2) The authority may issue its bonds and notes for
9 the purposes set forth in subsection (1) and may enter into a
10 lending agreement or purchase agreement with one or more
11 bondholders or noteholders containing the terms and conditions
12 of the repayment of and the security for the bonds or notes.
13 Bonds and notes must be authorized by a resolution of the
14 authority. The authority and the bondholders or noteholders
15 may enter into such agreements as provided by rule.

16 570.280 Agricultural loan assistance program.--

17 (1) The authority shall establish and develop an
18 agricultural loan assistance program to facilitate the
19 availability of affordable operating capital to farmers,
20 agricultural producers, or agricultural processors by
21 providing grants to lending or educational institutions as
22 provided by this section.

23 (2) The authority shall make available to farmers and
24 lending institutions eligibility application forms for the
25 agricultural loan assistance program. Applications to the
26 authority for assistance under this section shall be executed
27 jointly by the lending institution and the farmer upon
28 approved forms.

29 (3) The authority shall provide in the agricultural
30 loan assistance program that a grant will be provided in
31

1 conjunction with a farmer's operating loan only if the
2 following criteria are satisfied:
3 (a) The farmer is a resident of the state.
4 (b) The farmer is an individual, a partnership,
5 corporation, limited liability corporation, trust, or limited
6 agricultural association.
7 (c) The farming operation in which the farmer will use
8 the operating loan is located within the state.
9 (d) The operating loan will be used by the farmer for
10 reasonable and necessary expenses and cash flow requirements
11 of farming as defined by rules of the authority.
12 (e) The farmer has made full disclosure of the
13 farmer's finances to the lending institution and to the
14 authority, to the extent required by the authority.
15 (f) Additional requirements as are prescribed by the
16 authority by rule, which may include, but are not limited to:
17 1. Participation in federal crop insurance programs,
18 where available.
19 2. A consideration of the borrower's agreement to
20 maintain farm management techniques and standards established
21 by the authority.
22 3. Participation in federal farm programs, where
23 applicable.
24 4. The maximized use of available loan guarantees
25 where applicable.
26 5. A consideration of factors demonstrating the
27 farmer's need for operating loan assistance and the
28 probability of success with the assistance in the farming
29 operation in which the operating loan will be used, including
30 net worth, debt-to-asset ratio, debt service coverage ratio,
31

1 projected income, and projected cash flow under rules
2 promulgated by the authority.

3 (4) The authority may participate in and cooperate
4 with programs of an agency or instrumentality of the Federal
5 Government in the administration of the agricultural loan
6 assistance program. The authority may provide in the
7 agricultural loan assistance program that a grant may be
8 provided in conjunction with a farmer's operating loan only if
9 the farmer and lending institution participate in one or more
10 operating loan assistance programs of an agency or
11 instrumentality of the Federal Government, which are
12 determined to be appropriate by the authority.

13 (5) Upon approval of an eligibility application and a
14 determination by the authority that assistance pursuant to the
15 agricultural loan assistance program is needed to qualify a
16 farmer and lending institution for participation in an
17 appropriate operating loan assistance program of an agency or
18 instrumentality of the Federal Government, the authority may:

19 (a) Enter into an agreement with the lending
20 institution and the farmer to supplement the assistance to be
21 received pursuant to the federal program, in which agreement
22 the lending institution shall agree to reduce for up to 3
23 years the interest rate on the farmer's operating loan to the
24 rate determined by the authority to be necessary to qualify
25 the farmer and lending institution for participation in the
26 federal program and the farmer shall agree to comply with the
27 rules and requirements established by the authority.

28 (b) Agree to give the lending institution, for the
29 benefit of the farmer, a grant in an amount to be determined
30 by the authority to partially reimburse the lending
31 institution for the reduction of the interest rate on the

1 farmer's operating loan under rules established by the
2 authority.

3 (6) Notwithstanding the provisions of subsections (4)
4 and (5), upon approval of an eligibility application and a
5 determination by the authority that operating loan assistance
6 will not be available to an individual farmer and lending
7 institution on a timely basis pursuant to an appropriate
8 program of the Federal Government, the authority may:

9 (a) Enter into an agreement with the lending
10 institution and the farmer in which the lending institution
11 shall agree to reduce for up to 3 years the interest rate on
12 the farmer's operating loan to a rate, determined by the
13 authority, below the lending institution's farm operating loan
14 rate as certified to the authority and the farmer shall agree
15 to comply with the rules and requirements established by the
16 authority.

17 (b) Agree to give to the lending institution, for the
18 benefit of the farmer, a grant in the amount, as determined by
19 the authority, up to 3 percent per annum of up to \$100,000 of
20 the principal balance of the farmer's operating loan
21 outstanding from time to time, for the term of the loan or for
22 3 years, whichever is less, to partially reimburse the lending
23 institution for the reduction of the interest rate on the
24 borrower's operating loan. However, the grant shall not exceed
25 50 percent of the amount of interest foregone by the lending
26 institution pursuant to the rate reduction under paragraph
27 (a).

28 (7) The authority may require a lending institution to
29 submit evidence satisfactory to the authority that the lending
30 institution has complied with the reduction in the interest
31 rate as required by an agreement pursuant to subsection (5) or

1 subsection (6). The authority may inspect any books and
2 records of a lending institution which are pertinent to the
3 administration of the agricultural loan assistance program.

4 (8) In order to assure compliance with this section
5 and rules adopted pursuant to this section, the authority may
6 establish by rule appropriate enforcement provisions,
7 including, but not limited to, the payment of civil penalties
8 by a lending institution or farmer.

9 570.2815 Alternative agriculture assistance
10 programs.--

11 (1) The authority shall create and develop programs to
12 assist farmers, agricultural producers, and agricultural
13 processors who have established or intend to establish in this
14 state alternative agriculture production operations,
15 including, but not limited to, the following assistance:

16 (a) Insurance or loan guarantee program.--An insurance
17 or loan guarantee program to provide for the insuring or
18 guaranteeing of all or part of a loan made to an agricultural
19 producer for the acquisition of seed or root stock to
20 establish or expand an alternative agriculture operation.

21 (b) Interest buy-down program.--The authority may
22 contract with a participating lending institution and a
23 qualified agricultural producer to reduce the interest rate
24 charged on a loan for the acquisition of seed or root stock to
25 establish or expand an alternative agriculture operation. The
26 authority shall determine the amount that the rate is reduced
27 by considering the lending institution's customary loan rate
28 for the acquisition of seed or root stock as certified to the
29 authority by the lending institution. As part of the contract,
30 in order to partially reimburse the lending institution for
31 the reduction of the interest rate on the loan, the authority

1 may agree to grant the lending institution any amount foregone
2 by reducing the interest rate on that portion of the loan
3 which is \$100,000 or less. The amount reimbursed, however,
4 shall not be more than the lesser of the following:

5 1. Three percent per annum of the principal balance of
6 the loan outstanding at any time for the term of the loan or
7 within 1 year from the loan initiation date as defined by
8 rules adopted by the authority, whichever is less.

9 2. Fifty percent of the amount of interest foregone by
10 the lending institution on the loan.

11 (c) Cost-sharing program.--The authority may contract
12 with an agricultural producer to reimburse the producer for
13 the cost of converting land planted in row crops or pasture to
14 alternative agricultural crops. The amount reimbursed,
15 however, shall not be more than \$250 per acre converted, or 50
16 percent of the conversion costs, whichever is less. The
17 contract shall apply to not more than 500 acres of crop or
18 pasture land converted to alternative agricultural crops. The
19 converted land shall be utilized in alternative agriculture
20 production for a minimum of 5 years. The amount to be
21 reimbursed shall be reduced by the amount that the farmer,
22 agricultural producer, or agricultural processor receives
23 under any other state or federal program that contributes
24 toward the cost of converting the same land from established
25 to alternative agricultural crops.

26 (d) Management assistance and training program.--The
27 authority in cooperation with any agency or instrumentality of
28 the Federal Government or with any state agency, including any
29 state university or those associations organized for the
30 purpose of assisting agricultural producers involved in
31 alternative agriculture production, or with any farm

1 management company if such company specializes in alternative
2 agriculture production or in assisting alternative agriculture
3 producers, as prescribed by rules adopted by the authority,
4 shall establish programs to train and assist agricultural
5 producers to effectively manage alternative agriculture
6 production operations.

7 (2) An agricultural producer or processor shall be
8 eligible to participate in a program established under this
9 section based upon criteria established by rules of the
10 authority.

11 (3) The authority shall adopt rules to enforce the
12 provisions of this section or the terms of a contract to which
13 the authority is a party. The authority may also enforce the
14 provisions of this section or terms of the contract by
15 bringing an action in any court of competent jurisdiction to
16 recover damages. As a condition of entering into the program,
17 the authority may require that the agricultural producer
18 consent to the jurisdiction of the courts of this state to
19 hear any matter arising from the provisions of this section.

20 Section 2. Section 159.8082, Florida Statutes, is
21 created to read:

22 159.8082 Agricultural development bond pool.--

23 (1) There is established the agricultural development
24 bond pool. The agricultural development bond pool shall be
25 available solely to provide written confirmations for private
26 activity bonds to the Florida Agricultural Development
27 Authority to finance agricultural development as described in
28 ss. 570.251-570.2815. Allocations from this pool shall be
29 awarded for use on a statewide basis pursuant to the
30 procedures specified in s. 159.805, except that the provisions
31 of s. 159.805(2) and (3) do not apply. In issuing written

1 confirmations of allocations for agricultural development
2 projects, the division shall use the agricultural development
3 bond pool. If allocation is not available from the
4 agricultural development bond pool, the division shall issue
5 written confirmations of allocations for agricultural
6 development projects pursuant to s. 159.806 or s. 159.807, in
7 that order. For the purposes of determining priority within a
8 regional allocation pool or the state allocation pool, notices
9 of intent to issue bonds for agricultural development projects
10 to be issued from a regional allocation pool or the state
11 allocation pool shall be considered to have been received by
12 the division at the time it is determined by the division that
13 the agricultural development bond pool is unavailable to issue
14 confirmation for such agricultural development project.

15 (2) Any written confirmation issued by the director
16 pursuant to this section has no effect unless the bonds to
17 which such confirmation applies have been issued by the
18 Florida Agricultural Development Authority and written notice
19 of such issuance has been provided to the director on or
20 before November 15, unless a carryforward has been granted for
21 the allocation.

22 Section 3. Section 159.804, Florida Statutes, is
23 amended to read:

24 159.804 Allocation of state volume limitation.--The
25 division shall annually determine the amount of private
26 activity bonds permitted to be issued in this state under the
27 Code and shall make such information available upon request to
28 any person or agency. The total amount of private activity
29 bonds authorized to be issued in this state pursuant to the
30 Code shall be initially allocated as follows on January 1 of
31 each year:

1 (1)(a) On January 1, 1993, the first \$75 million of
2 the state volume limitation shall be allocated to the
3 manufacturing facility pool established pursuant to s.
4 159.8081. This allocation shall be increased in subsequent
5 years in increments of \$7.5 million as follows: On January 1
6 of each year, if at least 75 percent of the preceding year's
7 allocation under this subsection was used to issue bonds by
8 November 15 of that year, the allocation to the pool for the
9 current year must equal the sum of the amount that was
10 allocated to the pool in the preceding year plus an additional
11 \$7.5 million. If, however, 75 percent of the preceding year's
12 allocation was not used to issue bonds by November 15, the
13 allocation to the pool for the current year must be the same
14 amount as that allocated to the pool in the preceding year.

15 (b) On January 1, 1999, the next \$10 million of the
16 state volume limitation shall be allocated to the agricultural
17 development pool established pursuant to s. 159.8082. This
18 allocation shall be increased in subsequent years in
19 increments of \$2 million as follows: On January 1 of each
20 year, if at least 75 percent of the preceding year's
21 allocation under this subsection was used to issue bonds by
22 November 15 of that year, the allocation to the pool for the
23 current year must equal the sum of the amount that was
24 allocated to the pool in the preceding year plus an additional
25 \$2 million. If, however, 75 percent of the preceding year's
26 allocation was not used to issue bonds by November 15, the
27 allocation to the pool for the current year must be the same
28 amount as that allocated to the pool in the preceding year.

29 (c)~~(b)~~ If on January 1 of any year, under federal law,
30 bonds for manufacturing facilities or agricultural development
31 no longer require or are eligible for an allocation pursuant

1 to s. 146 of the Code, or if a separate volume cap is
2 established for agricultural development bonds under federal
3 law, the allocation of the state volume limitation in the
4 manufacturing facility pool, agricultural development pool, or
5 both, if applicable, shall be divided among the remaining
6 pools in the following manner: 50 percent to be shared by the
7 16 regions for use in the manner prescribed in subsection (2);
8 25 percent for use by the Florida Housing Finance Agency in
9 the manner prescribed in subsection (3); 5 percent for use in
10 the state allocation pool in the manner prescribed in
11 subsection (4); and 20 percent for use in the Florida First
12 Business allocation pool in the manner prescribed in
13 subsection (5).

14 (d)(c) If the state volume limitation imposed on
15 private activity bonds under s. 146 of the Code is decreased,
16 the amount allocated to the manufacturing facility pool shall
17 be decreased in proportion to the percentage the state volume
18 limitation is decreased.

19 (2)(a) Fifty percent of the state volume limitation
20 remaining after the allocations ~~allocation~~ made pursuant to
21 subsection (1) shall be allocated among the regions
22 established in paragraph (b) for use by all agencies whose
23 boundaries are coterminous with or contained within each
24 region. The volume limitation for each regional allocation
25 pool must be an amount that bears the same ratio to 50 percent
26 of the state volume limitation remaining after the allocation
27 made pursuant to subsection (1) for such calendar year as the
28 population of the region bears to the population of the entire
29 state.

30 (b) The following regions are established for the
31 purposes of this allocation:

- 1 1. Region 1 consisting of Bay, Escambia, Holmes,
2 Okaloosa, Santa Rosa, Walton, and Washington Counties.
- 3 2. Region 2 consisting of Calhoun, Franklin, Gadsden,
4 Gulf, Jackson, Jefferson, Leon, Liberty, and Wakulla Counties.
- 5 3. Region 3 consisting of Alachua, Bradford, Columbia,
6 Dixie, Gilchrist, Hamilton, Lafayette, Madison, Suwannee,
7 Taylor, and Union Counties.
- 8 4. Region 4 consisting of Baker, Clay, Flagler,
9 Nassau, Putnam, and St. Johns Counties.
- 10 5. Region 5 consisting of Citrus, Hernando, Levy,
11 Marion, Pasco, and Sumter Counties.
- 12 6. Region 6 consisting of Brevard, Lake, Osceola,
13 Seminole, and Volusia Counties.
- 14 7. Region 7 consisting of DeSoto, Hardee, Highlands,
15 Manatee, Okeechobee, and Polk Counties.
- 16 8. Region 8 consisting of Charlotte, Collier, Glades,
17 Hendry, Lee, Monroe, and Sarasota Counties.
- 18 9. Region 9 consisting of Indian River, Martin, and
19 St. Lucie Counties.
- 20 10. Region 10 consisting of Broward County.
- 21 11. Region 11 consisting of Dade County.
- 22 12. Region 12 consisting of Duval County.
- 23 13. Region 13 consisting of Hillsborough County.
- 24 14. Region 14 consisting of Orange County.
- 25 15. Region 15 consisting of Palm Beach County.
- 26 16. Region 16 consisting of Pinellas County.
- 27 (3)(a) Twenty-five percent of the state volume
28 limitation remaining after the allocations ~~allocation~~ made
29 pursuant to subsection (1) shall be allocated to the Florida
30 Housing Finance Agency for use in connection with the issuance
31 of housing bonds of that agency or its assigns.

1 (b) The Florida Housing Finance Agency need not apply
2 to the division for an allocation of its volume limitation
3 granted under paragraph (a) for bonds it issues prior to July
4 1 of any year and is not subject to the fee required under s.
5 159.811. However, for bonds it intends to issue between July
6 1 and September 29 of any year, utilizing the allocation
7 granted under paragraph (a), the Florida Housing Finance
8 Agency must submit a notice of intent to issue to the division
9 not later than June 30 of such year, and a written
10 confirmation of allocation shall be granted if a sufficient
11 amount of that allocation is available.

12 (c) The Florida Housing Finance Agency, in its
13 discretion, may, prior to July 1 of each year, assign any
14 portion of the Florida Housing Finance Agency allocation to
15 any agency for the issuance of housing bonds, taking into
16 consideration the ability of the agency to timely issue such
17 bonds, the need and public purpose to be served by the issue,
18 and the ability of the agency to comply with the requirements
19 of federal and state law. Such assignment is not effective
20 until receipt by the division of notification of the
21 assignment. A separate allocation from the division is not
22 needed for bonds issued prior to July 1 utilizing such an
23 assignment. An agency that intends to utilize such an
24 assignment to issue housing bonds between July 1 and September
25 29 of any year must submit a notice of intent to issue to the
26 division for the amount of such assignment not later than June
27 30, and a written confirmation of allocation shall be granted
28 if a sufficient amount of the allocation under paragraph (a)
29 is available. Any amounts representing assignments of which
30 the division had been notified by the Florida Housing Finance
31 Agency but for which an issuance report or notice of intent to

1 issue pursuant to this subsection has not been received by the
2 division by June 30 of any year shall be reallocated to the
3 state allocation pool on July 1 of that year.

4 (4) Five percent of the state volume limitation
5 remaining after the allocations ~~allocation~~ made pursuant to
6 subsection (1) shall be allocated to the state allocation
7 pool, for use as provided in s. 159.807.

8 (5) Twenty percent of the state volume limitation
9 remaining after the allocations ~~allocation~~ made pursuant to
10 subsection (1) shall be allocated to the Florida First
11 Business allocation pool, to be used as provided in s.
12 159.8083.

13 Section 4. Subsection (3) of section 159.809, Florida
14 Statutes, is amended to read:

15 159.809 Recapture of unused amounts.--

16 (3) On November 16 of each year, any portion of the
17 initial allocation, made pursuant to s. 159.804(1), s.
18 159.804(5), or subsection (1) or subsection (2), other than as
19 provided in ss. 159.8082 and ~~s. 159.8083~~, for which an
20 issuance report for bonds utilizing such an allocation has not
21 been received by the division prior to that date shall be
22 added to the state allocation pool.

23 Section 5. This act shall take effect July 1 of the
24 year in which it is enacted or upon becoming a law, whichever
25 is earlier.

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