

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.

8
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) The Authority has the authority to adopt rules
20 pursuant to s.s. 120.54 and 120.536(1) relating to:

21 (a) The statutory programs under the jurisdiction and
22 authority of the Authority, including beginning farmer
23 program, additional beginning farmer loan program,
24 agricultural loan assistance program, and alternative
25 agricultural assistance programs.

26 (b) Authority regarding the following, as it relates
27 to the Authority's programs:

28 1. Definitions;

29 2. Eligibility for programs, eligibility criteria and
30 determinations, objective criteria and guidelines and forms
31 and documents required to implement the Authority's programs.

1 570.256 Executive director.--

2 (1) The executive director of the authority shall be
3 appointed by the board and shall serve at the pleasure of the
4 authority. The executive director shall be selected primarily
5 for administrative ability and knowledge in the field, without
6 regard to political affiliation.

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

11 (3) The executive director shall advise the authority
12 on matters relating to agricultural land and property and
13 finance; carry out all directives from the authority; and hire
14 and supervise the authority's staff, which shall include a
15 general counsel to advise and assist the executive director in
16 carrying out the purposes of this act, pursuant to the
17 direction of the board.

18 (4) The executive director, as secretary of the
19 authority, shall be custodian of all books, documents, minute
20 books, seal, and papers filed with the authority. The
21 executive director may cause to be made copies of all minutes
22 and other records and documents of the authority and shall
23 give certificates under the seal of the authority that the
24 copies are true copies and that all persons dealing with the
25 authority may rely upon the certificates.

26 570.257 Annual report.--

27 (1) The authority shall submit to the Governor, the
28 President of the Senate, the Speaker of the House of
29 Representatives, and the Auditor General not later than
30 February 15 of each year, a complete and economically designed
31 and reproduced report setting forth:

1 (a) The operations and accomplishments of the
2 authority.

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

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

9 (d) A schedule of the authority's bonds and notes
10 outstanding at the end of its fiscal year, together with a
11 statement of the amounts redeemed and issued during its fiscal
12 year.

13 (e) A statement of the authority's proposed and
14 projected activities.

15 (f) Recommendations to the Legislature, as the
16 authority deems necessary.

17 (g) An analysis of the needs of beginning farmers and
18 other farmers in the state, as well as agribusiness projects
19 funded by the authority.

20 (2) The annual report, together with the Authority's
21 audited annual statements of financial condition for the
22 period prepared by the Authority's certified public
23 accountants, including, specifically, their review and
24 comments on the Authority's activities described in subsection
25 (1), (b), (c), (d) above, shall identify performance goals of
26 the authority and clearly indicate the extent of progress
27 during the reporting period in attaining the goals. Where
28 possible, results shall be expressed in terms of number of
29 loans and acres of agricultural land, establishment of new or
30 alternative agricultural crops, and value-added programs for
31 Florida farmers and agribusiness.

1 570.258 Surplus moneys.--Moneys declared by the
2 authority to be surplus moneys which are not required to
3 service bonds and notes, to pay administrative expenses of the
4 authority, or to accumulate necessary operating or loss
5 reserves shall be used by the authority to provide loans,
6 grants, subsidies, and other services or assistance to
7 beginning farmers or agricultural producers through any of the
8 programs authorized in this act.

9 570.259 Combination programs.--Programs authorized in
10 this act may be combined with any other programs authorized in
11 this act or any other chapter of the Florida Statutes or under
12 any federal program or programs of any other state in order to
13 facilitate, as far as practicable, the acquisition and
14 ownership of agricultural land and property by beginning or
15 existing farmers or to facilitate the implementation of soil
16 and water conservation practices, the implementation of new
17 and alternative agricultural crops in this state, and the
18 implementation of the technology transfer between the United
19 States Department of Agriculture, the State of Florida, and
20 the Technological Development Research Authority.

21 570.260 Beginning farmer loan program.--

22 (1) The authority shall develop a beginning farmer
23 loan program to facilitate the acquisition of agricultural
24 land and improvements and depreciable agricultural property by
25 beginning farmers. The authority shall exercise the powers
26 granted to it in this act in order to fulfill the goal of
27 providing financial assistance to beginning farmers in the
28 acquisition of agricultural land and improvements and
29 depreciable agricultural property. The authority may
30 participate in and cooperate with programs of the United
31 States Department of Agriculture Consolidated Farm Service

1 Agency, federal land bank, or any other agency or
2 instrumentality of the Federal Government or with any program
3 of any other state agency in the administration of the
4 beginning farmer loan program and in the making or purchasing
5 of bonds, notes, mortgages, or secured loans pursuant to this
6 act.

7 (2) The authority may participate in any federal
8 programs designed to assist beginning farmers or in any
9 related federal or state programs.

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

16 (4) The authority may provide in a mortgage or secured
17 loan made or purchased pursuant to this act that the loan may
18 not be assumed or that any interest in the agricultural land
19 or improvements or depreciable agricultural property may not
20 be leased, sold, or otherwise conveyed without its prior
21 written consent and may provide a due-on-sale clause with
22 respect to the occurrence of any of the foregoing events
23 without its prior written consent. The authority may provide
24 by rule the grounds for permitted assumptions of a mortgage or
25 for the leasing, sale, or other conveyance of any interest in
26 the agricultural land or improvements. The authority shall,
27 however, provide and state in a mortgage or secured loan that
28 the authority has the power to raise the interest rate of the
29 loan to the prevailing market rate if the mortgage or secured
30 loan is assumed by a farmer who is already established in that
31 field at the time of the assumption of the loan.

1 (5) The authority may participate in any interest in
2 any mortgage or secured loan made or purchased pursuant to
3 this act with a mortgage or other lender. The participation
4 interest may be on a parity with the interest in the mortgage
5 or secured loan retained by the authority, equally and ratably
6 secured by the mortgage or securing agreement securing the
7 mortgage or secured loan.

8 570.261 Loans to beginning farmers.--

9 (1) The authority may make mortgage or secured loans,
10 including, but not limited to, mortgage or secured loans
11 insured, guaranteed, or otherwise secured by the Federal
12 Government or a federal governmental agency or
13 instrumentality, a state agency, or private mortgage insurers,
14 to beginning farmers to provide financing for agricultural
15 land and improvements or depreciable agricultural property.

16 (2) Mortgage or secured loans shall contain terms and
17 provisions, including interest rates, and be in a form
18 established by rules of the authority. The authority may
19 require the beginning farmer to execute a note, loan
20 agreement, or other evidence of indebtedness and furnish
21 additional assurances and guarantees, including insurance,
22 reasonably related to protecting the security of the mortgage
23 or secured loan, as the authority deems necessary.

24 570.262 Loans to mortgage lenders and other lenders.--

25 (1) The authority may make and contract to make loans
26 to mortgage lenders or other lenders on terms and conditions
27 it determines are reasonably related to protecting the
28 security of the authority's investment and to implementing the
29 purposes of this act. Mortgage lenders are authorized to
30 borrow from the authority in accordance with the provisions of
31 this section and the rules of the authority.

1 (2) The authority shall require as a condition of each
 2 loan to a mortgage lender that the mortgage lender, within a
 3 reasonable period after receipt of the loan proceeds as the
 4 authority prescribes by rule, shall have entered into written
 5 commitments to make and, within a reasonable period thereafter
 6 as the authority prescribes by rule, shall have disbursed the
 7 loan proceeds in new mortgage or secured loans to beginning
 8 farmers in an aggregate principal amount of not less than the
 9 amount of the loan. New mortgage or secured loans shall have
 10 terms and conditions as the authority prescribes by rules
 11 which are reasonably related to implementing the purposes of
 12 this act.

13 570.263 Purchase of loans.--

14 (1) The authority may purchase and make advance
 15 commitments to purchase mortgage or secured loans from
 16 mortgage lenders at prices and upon terms and conditions as it
 17 determines. However, the total purchase price for all mortgage
 18 or secured loans which the authority commits to purchase from
 19 a mortgage lender at any one time shall not exceed the total
 20 of the unpaid principal balances of the mortgage or secured
 21 loans purchased. Mortgage lenders are authorized to sell
 22 mortgage or secured loans to the authority in accordance with
 23 the provisions of this section and the rules of the authority.

24 (2) The authority shall require as a condition of
 25 purchase of mortgage or secured loans from mortgage lenders
 26 that the mortgage lenders certify that the mortgage or secured
 27 loans purchased are loans made to beginning farmers. Mortgage
 28 or secured loans to be made by mortgage lenders shall have
 29 terms and conditions as the authority prescribes by rule. The
 30 authority may make a commitment to purchase mortgage or
 31 secured loans from mortgage lenders in advance of the time the

1 loans are made by mortgage lenders. The authority shall
2 require as a condition of a commitment that mortgage lenders
3 certify in writing that all mortgage or secured loans
4 represented by the commitment will be made to beginning
5 farmers and that the mortgage lender will comply with other
6 authority specifications.

7 570.264 Powers relating to loans.--Subject to any
8 agreement with bondholders or noteholders, the authority may
9 renegotiate a mortgage or secured loan or a loan to a mortgage
10 lender in default, waive a default or consent to the
11 modification of the terms of a mortgage or secured loan or a
12 loan to a mortgage lender, forgive or forbear all or part of a
13 mortgage or secured loan or a loan to a mortgage lender, and
14 commence, prosecute, and enforce a judgment in any action,
15 including, but not limited to, a foreclosure action, to
16 protect or enforce any right conferred upon it by law,
17 mortgage or secured loan agreement, contract, or other
18 agreement and, in connection with any action, bid for and
19 purchase the property or acquire or take possession of it,
20 complete, administer, pay the principal of and interest on any
21 obligations incurred in connection with the property, and
22 dispose of and otherwise deal with the property in a manner
23 the authority deems advisable to protect its interests.

24 570.265 Bonds and notes.--

25 (1) The authority may issue its negotiable bonds and
26 notes in principal amounts which, in the opinion of the
27 authority, are necessary to provide sufficient funds for
28 achievement of its corporate purposes, the payment of interest
29 on its bonds and notes, the establishment of reserves to
30 secure its bonds and notes, and all other expenditures of the
31 authority incident to and necessary or convenient to carry out

1 its purposes and powers. The bonds and notes shall be deemed
2 to be investment securities and negotiable instruments within
3 the meaning of and for all purposes of the Uniform Commercial
4 Code.

5 (2) Bonds and notes are payable solely and only out of
6 the moneys, assets, or revenues of the authority and as
7 provided in the agreement with bondholders or noteholders
8 pledging any particular moneys, assets, or revenues. Bonds or
9 notes are not an obligation of this state or any political
10 subdivision of this state other than the authority within the
11 meaning of any constitutional or statutory debt limitations,
12 but are special obligations of the authority payable solely
13 and only from the sources provided in this act, and the
14 authority shall not pledge the credit or taxing power of this
15 state or any political subdivision of this state other than
16 the authority or make its debts payable out of any moneys
17 except those of the authority.

18 (3) Bonds and notes must be authorized by a resolution
19 of the authority. A resolution authorizing the issuance of
20 bonds or notes may, however, delegate to an officer of the
21 authority the power to negotiate and fix the details of an
22 issue of bonds or notes by an appropriate certificate of the
23 authorized officer.

24 (4) In addition to any notice required from time to
25 time under the Internal Revenue Code for federally tax exempt
26 bonds, the authority shall publish a notice of intention to
27 issue bonds or notes in a newspaper of general circulation
28 published in the state. The notice shall include a statement
29 of the maximum amount of bonds or notes proposed to be issued
30 and, in general, what net revenues will be pledged to pay the
31 bonds or notes and interest thereon. An action shall not be

1 brought questioning the legality of the bonds or notes or the
2 power of the authority to issue the bonds or notes or as to
3 the legality of any proceedings in connection with the
4 authorization or issuance of the bonds or notes after 60 days
5 from the date of publication of the notice.

6 (5) Bonds and notes issued by the authority for
7 purposes of financing the beginning farmer loan program
8 provided in s. 570.260 are exempt from all taxation by the
9 state including, but not limited to, income, documentary stamp
10 taxes, and intangible taxes, and interest earned on the bonds
11 and notes is deductible in determining net income for purposes
12 of the corporate income tax under chapter 220.

13 570.266 Reserve funds and appropriations.--The
14 authority may create and establish one or more special funds,
15 each to be known as a "bond reserve fund" and shall pay into
16 each bond reserve fund any moneys appropriated and made
17 available by the state for the purpose of the fund, any
18 proceeds of the sale of notes or bonds to the extent provided
19 in the resolutions of the authority authorizing their
20 issuance, and any other moneys which are available to the
21 authority for the purpose of the fund from any other sources.
22 Moneys held in a bond reserve fund, except as otherwise
23 provided in this act, shall be used as required solely for the
24 payment of the principal of bonds secured in whole or in part
25 by the fund or of the sinking fund payments with respect to
26 the bonds, the purchase or redemption of the bonds, the
27 payment of interest on the bonds, or the payments of any
28 redemption premium required to be paid when the bonds are
29 redeemed prior to maturity.

30 570.267 Remedies of bondholders and noteholders.--
31

1 (1) If the authority defaults in the payment of
2 principal or interest on an issue of bonds or notes at
3 maturity or upon call for redemption and the default continues
4 for a period of 30 days or if the authority fails or refuses
5 to comply with the provisions of this act or defaults in an
6 agreement made with the holders of an issue of bonds or notes,
7 the holders of 25 percent in aggregate principal amount of
8 bonds or notes of the issue then outstanding, by instrument
9 filed in the office of the clerk of the county in which the
10 principal office of the authority is located and proved or
11 acknowledged in the same manner as a deed to be recorded, may
12 appoint a trustee to represent the holders of the bonds or
13 notes for the purposes provided in this section.

14 (2) The authority or any trustee appointed under the
15 indenture under which the bonds or notes are issued may, but
16 upon written request of the holders of 25 percent in aggregate
17 principal amount of the issue of bonds or notes then
18 outstanding shall:

19 (a) Enforce all rights of the bondholders or
20 noteholders including the right to require the authority to
21 carry out its agreements with the holders and to perform its
22 duties under this act.

23 (b) Bring suit upon the bonds or notes.

24 (c) By action, require the authority to account as if
25 it were the trustee of an express trust for the holders.

26 (d) By action, enjoin any acts or things which are
27 unlawful or in violation of the rights of the holders.

28 (e) Declare all the bonds or notes due and payable
29 and, if all defaults are made good, then with the consent of
30 the holders of 25 percent of the aggregate principal amount of
31

1 the issue of bonds or notes then outstanding annul the
2 declaration and its consequences.

3 (3) The trustee shall also have all powers necessary
4 or appropriate for the exercise of functions specifically set
5 forth or incident to the general representation of bondholders
6 or noteholders in the enforcement and protection of their
7 rights.

8 (4) Before declaring the principal of bonds or notes
9 due and payable, the trustee shall first give 30 days' notice
10 in writing to the Governor, to the authority, and to the
11 Attorney General.

12 (5) The circuit court has jurisdiction of any action
13 by the trustee on behalf of bondholders or noteholders. The
14 venue of the action shall be in the county in which the
15 principal office of the authority is located.

16
17 The bondholders or noteholders may, to the extent provided in
18 the resolution to which the bonds or notes were issued or in
19 its agreement with the authority, enforce any of the remedies
20 in paragraphs (2)(a)-(e) or the remedies provided in such
21 proceedings or agreements for and on their own behalf.

22 570.268 Agreement of the state.--The state pledges and
23 agrees with the holders of any bonds or notes that the state
24 will not limit or alter the rights vested in the authority to
25 fulfill the terms of agreements made with the holders of such
26 bonds or notes or in any way impair the rights and remedies of
27 the holders of such bonds or notes until the bonds or notes
28 together with the interest thereon, plus interest on unpaid
29 installments of interest, and all costs and expenses in
30 connection with an action by or on behalf of the holders of
31 such bonds are fully met and discharged. The authority may

1 include this pledge and agreement of the state in any
2 agreement with the holders of bonds or notes.

3 570.269 Bonds and notes as legal investments.--Bonds
4 and notes are securities in which public officers, state
5 departments and agencies, political subdivisions, pension and
6 retirement funds, insurance companies and other persons
7 carrying on an insurance business, banks, trust companies,
8 savings and loan associations, investment companies, credit
9 unions, and other persons carrying on a banking business,
10 administrators, executors, guardians, conservators, trustees
11 and other fiduciaries, and other persons authorized to invest
12 in bonds or other obligations of this state may properly and
13 legally invest funds including capital in their control or
14 belonging to them. Bonds and notes are also securities which
15 may be deposited with and received by public officers, state
16 departments and agencies, and political subdivisions for any
17 purpose for which the deposit of bonds or other obligations of
18 this state is authorized.

19 570.270 Moneys of the authority.--

20 (1) Moneys of the authority, except as otherwise
21 provided in this act, shall be paid to the authority and shall
22 be deposited in a bank or other financial institution
23 designated by the authority. The moneys of the authority shall
24 be withdrawn on the order of the person authorized by the
25 authority. Deposits shall be secured in the manner determined
26 by the authority. The Auditor General may periodically examine
27 the accounts and books of the authority, including its
28 receipts, disbursements, contracts, leases, sinking funds,
29 investments, and any other records and papers relating to its
30 financial standing. The authority shall not be required to pay
31 a fee for the examination.

1 (2) The authority may contract with holders of its
2 bonds or notes as to the custody, collection, security,
3 investment, and payment of moneys of the authority, of moneys
4 held in trust or otherwise for the payment of bonds or notes
5 and to carry out the contract. Moneys held in trust or
6 otherwise for the payment of bonds or notes or in any way to
7 secure bonds or notes and deposits of the moneys may be
8 secured in the same manner as moneys of the authority, and
9 banks and trust companies may give security for the deposits.

10 (3) Subject to the provisions of any contract with
11 bondholders or noteholders, the authority shall prescribe a
12 system of accounts.

13 (4) The authority shall submit to the Governor, the
14 Auditor General, the President of the Senate, and the Speaker
15 of the House of Representatives within 30 days of receipt by
16 the authority, a copy of the report of every external
17 examination of the books and accounts of the authority other
18 than copies of the reports of examinations made by the Auditor
19 General.

20 570.271 Limitation of liability.--Members of the
21 authority and persons acting in its behalf, while acting
22 within the scope of their employment or agency, are not
23 subject to personal liability resulting from carrying out the
24 powers and duties given in this act, and the authority may
25 carry such insurance or other indemnification for any actions
26 arising out of such duties.

27 570.272 Assistance by state officers, agencies, and
28 departments.--State officers, departments, and agencies shall
29 render services to the authority within their respective
30 functions as requested by the authority.

31

1 570.273 Liberal interpretation.--This act, being
2 necessary for the welfare of this state and its inhabitants,
3 shall be liberally construed to effect its purposes.

4 570.274 Conflicts of interest.--

5 (1) If a member or employee other than the executive
6 director of the authority has an interest, either direct or
7 indirect, in a contract to which the authority is or is to be
8 a party or in a mortgage lender or other lender requesting a
9 loan from or offering to sell mortgage or secured loans to the
10 authority, the interest shall be disclosed to the authority in
11 writing and shall be set forth in the minutes of the
12 authority. The member or employee having the interest shall
13 not participate in an action by the authority with respect to
14 such contract or mortgage lender or other lender.

15 (2) This section does not limit the right of a member,
16 officer, or employee of the authority to acquire an interest
17 in bonds or notes or to limit the right of a member or
18 employee other than the executive director to have an interest
19 in a bank, insurance company, or other financial institution
20 in which the funds of the authority are deposited or which is
21 acting as trustee or paying agent under a trust indenture to
22 which the authority is a party; nor does this section, except
23 as to the disclosures required by subsection (1), preclude an
24 insurance company or financial institution in which an
25 authority board member or employee, other than the executive
26 director, has an interest from placing insurance, funding
27 bonds, or acquiring or selling notes, mortgages, or other
28 obligations of the authority.

29 (3) The executive director shall not have an interest
30 in a bank or other financial institution in which the funds of
31 the authority are deposited or which is acting as trustee or

1 paying agent under a trust indenture to which the authority is
 2 a party. The executive director shall not receive, in addition
 3 to fixed salary or compensation, any money or valuable thing,
 4 either directly or indirectly or through any substantial
 5 interest in any other corporation or business unit, for
 6 negotiating, procuring, recommending, or aiding in any
 7 purchase or sale of property or loan made by the authority,
 8 nor shall the executive director be pecuniarily interested,
 9 either as principal, co-principal, agent, or beneficiary,
 10 either directly or indirectly or through any substantial
 11 interest in any other corporation or business unit, in any
 12 purchase, sale, or loan.

13 570.275 Exemption from competitive bid laws.--The
 14 authority and all contracts made by it in carrying out its
 15 public and essential governmental functions shall be exempt
 16 from the laws of the state which provide for competitive bids
 17 in connection with such contracts.

18 570.276 Trust assets.--The authority shall make
 19 application to, and receive from, the United States Secretary
 20 of Agriculture, or any other proper federal official, pursuant
 21 and subject to the provisions of Pub. L. No. 499, 64 Stat. 152
 22 (1950), formerly codified 40 U.S.C. 440 et seq. (1976), all of
 23 the trust assets held by the United States in trust for the
 24 Florida Rural Rehabilitation Corporation, now dissolved.

25 570.277 Agreements.--The authority may enter into
 26 agreements with the United States Secretary of Agriculture
 27 pursuant to Pub. L. No. 499 s. 2(f) (1950) upon terms and
 28 conditions and for periods of time as are mutually agreeable,
 29 authorizing the authority to accept, administer, expend, and
 30 use in the State of Florida all or any part of the trust
 31 assets or other funds in the state which have been

1 appropriated for use in carrying out the purposes of the
2 Bankhead-Jones Farm Tenant Act and to do any and all things
3 necessary to effectuate and carry out the purposes of said
4 agreements.

5 570.278 Liability.--The United States, the authority,
6 and the United States Secretary of Agriculture shall be held
7 free from liability by virtue of the transfer of assets to the
8 Florida Agricultural Development Authority as specified in
9 this act.

10 570.279 Additional beginning farmer loan program.--

11 (1) The authority may enter into a loan agreement with
12 a beginning farmer to finance, in whole or in part, the
13 acquisition by construction or purchase of agricultural land,
14 agricultural improvements, or depreciable agricultural
15 property in excess of the limits of s. 147 of the Internal
16 Revenue Code, as from time to time amended. The repayment
17 obligation of the beginning farmer may be unsecured, or may be
18 secured by a mortgage or security agreement or by other
19 security as the authority deems advisable, and may be
20 evidenced by one or more notes of the beginning farmer and may
21 be in conjunction with other federal, state, or local loan
22 programs or grants or by the authority alone. The loan
23 agreement may contain terms and conditions as the authority
24 deems advisable, as provided by rule.

25 (2) The authority may issue its bonds and notes for
26 the purposes set forth in subsection (1) and may enter into a
27 lending agreement or purchase agreement with one or more
28 bondholders or noteholders containing the terms and conditions
29 of the repayment of and the security for the bonds or notes.
30 Bonds and notes must be authorized by a resolution of the
31

1 authority. The authority and the bondholders or noteholders
2 may enter into such agreements as provided by rule.

3 570.280 Agricultural loan assistance program.--

4 (1) The authority shall establish and develop an
5 agricultural loan assistance program to facilitate the
6 availability of affordable operating capital to farmers,
7 agricultural producers, or agricultural processors by
8 providing grants to lending or educational institutions as
9 provided by this section.

10 (2) The authority shall make available to farmers and
11 lending institutions eligibility application forms for the
12 agricultural loan assistance program. Applications to the
13 authority for assistance under this section shall be executed
14 jointly by the lending institution and the farmer upon
15 approved forms.

16 (3) The authority shall provide in the agricultural
17 loan assistance program that a grant will be provided in
18 conjunction with a farmer's operating loan only if the
19 following criteria are satisfied:

20 (a) The farmer is a resident of the state.

21 (b) The farmer is an individual, a partnership,
22 corporation, limited liability corporation, trust, or limited
23 agricultural association.

24 (c) The farming operation in which the farmer will use
25 the operating loan is located within the state.

26 (d) The operating loan will be used by the farmer for
27 reasonable and necessary expenses and cash flow requirements
28 of farming as defined by rules of the authority.

29 (e) The farmer has made full disclosure of the
30 farmer's finances to the lending institution and to the
31 authority, to the extent required by the authority.

1 (f) Additional requirements as are prescribed by the
2 authority by rule, which may include, but are not limited to:

3 1. Participation in federal crop insurance programs,
4 where available.

5 2. A consideration of the borrower's agreement to
6 maintain farm management techniques and standards established
7 by the authority.

8 3. Participation in federal farm programs, where
9 applicable.

10 4. The maximized use of available loan guarantees
11 where applicable.

12 5. A consideration of factors demonstrating the
13 farmer's need for operating loan assistance and the
14 probability of success with the assistance in the farming
15 operation in which the operating loan will be used, including
16 net worth, debt-to-asset ratio, debt service coverage ratio,
17 projected income, and projected cash flow under rules
18 promulgated by the authority.

19 (4) The authority may participate in and cooperate
20 with programs of an agency or instrumentality of the Federal
21 Government in the administration of the agricultural loan
22 assistance program. The authority may provide in the
23 agricultural loan assistance program that a grant may be
24 provided in conjunction with a farmer's operating loan only if
25 the farmer and lending institution participate in one or more
26 operating loan assistance programs of an agency or
27 instrumentality of the Federal Government, which are
28 determined to be appropriate by the authority.

29 (5) Upon approval of an eligibility application and a
30 determination by the authority that assistance pursuant to the
31 agricultural loan assistance program is needed to qualify a

1 farmer and lending institution for participation in an
2 appropriate operating loan assistance program of an agency or
3 instrumentality of the Federal Government, the authority may:

4 (a) Enter into an agreement with the lending
5 institution and the farmer to supplement the assistance to be
6 received pursuant to the federal program, in which agreement
7 the lending institution shall agree to reduce for up to 3
8 years the interest rate on the farmer's operating loan to the
9 rate determined by the authority to be necessary to qualify
10 the farmer and lending institution for participation in the
11 federal program and the farmer shall agree to comply with the
12 rules and requirements established by the authority.

13 (b) Agree to give the lending institution, for the
14 benefit of the farmer, a grant in an amount to be determined
15 by the authority to partially reimburse the lending
16 institution for the reduction of the interest rate on the
17 farmer's operating loan under rules established by the
18 authority.

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

25 (a) Enter into an agreement with the lending
26 institution and the farmer in which the lending institution
27 shall agree to reduce for up to 3 years the interest rate on
28 the farmer's operating loan to a rate, determined by the
29 authority, below the lending institution's farm operating loan
30 rate as certified to the authority and the farmer shall agree
31

1 to comply with the rules and requirements established by the
2 authority.

3 (b) Agree to give to the lending institution, for the
4 benefit of the farmer, a grant in the amount, as determined by
5 the authority, up to 3 percent per annum of up to \$100,000 of
6 the principal balance of the farmer's operating loan
7 outstanding from time to time, for the term of the loan or for
8 3 years, whichever is less, to partially reimburse the lending
9 institution for the reduction of the interest rate on the
10 borrower's operating loan. However, the grant shall not exceed
11 50 percent of the amount of interest foregone by the lending
12 institution pursuant to the rate reduction under paragraph
13 (a).

14 (7) The authority may require a lending institution to
15 submit evidence satisfactory to the authority that the lending
16 institution has complied with the reduction in the interest
17 rate as required by an agreement pursuant to subsection (5) or
18 subsection (6). The authority may inspect any books and
19 records of a lending institution which are pertinent to the
20 administration of the agricultural loan assistance program.

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

26 570.2815 Alternative agriculture assistance
27 programs.--

28 (1) The authority shall create and develop programs to
29 assist farmers, agricultural producers, and agricultural
30 processors who have established or intend to establish in this
31

1 state alternative agriculture production operations,
2 including, but not limited to, the following assistance:

3 (a) Insurance or loan guarantee program.--An insurance
4 or loan guarantee program to provide for the insuring or
5 guaranteeing of all or part of a loan made to an agricultural
6 producer for the acquisition of seed or root stock to
7 establish or expand an alternative agriculture operation.

8 (b) Interest buy-down program.--The authority may
9 contract with a participating lending institution and a
10 qualified agricultural producer to reduce the interest rate
11 charged on a loan for the acquisition of seed or root stock to
12 establish or expand an alternative agriculture operation. The
13 authority shall determine the amount that the rate is reduced
14 by considering the lending institution's customary loan rate
15 for the acquisition of seed or root stock as certified to the
16 authority by the lending institution. As part of the contract,
17 in order to partially reimburse the lending institution for
18 the reduction of the interest rate on the loan, the authority
19 may agree to grant the lending institution any amount foregone
20 by reducing the interest rate on that portion of the loan
21 which is \$100,000 or less. The amount reimbursed, however,
22 shall not be more than the lesser of the following:

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

27 2. Fifty percent of the amount of interest foregone by
28 the lending institution on the loan.

29 (c) Cost-sharing program.--The authority may contract
30 with an agricultural producer to reimburse the producer for
31 the cost of converting land planted in row crops or pasture to

1 alternative agricultural crops. The amount reimbursed,
2 however, shall not be more than \$250 per acre converted, or 50
3 percent of the conversion costs, whichever is less. The
4 contract shall apply to not more than 500 acres of crop or
5 pasture land converted to alternative agricultural crops. The
6 converted land shall be utilized in alternative agriculture
7 production for a minimum of 5 years. The amount to be
8 reimbursed shall be reduced by the amount that the farmer,
9 agricultural producer, or agricultural processor receives
10 under any other state or federal program that contributes
11 toward the cost of converting the same land from established
12 to alternative agricultural crops.

13 (d) Management assistance and training program.--The
14 authority in cooperation with any agency or instrumentality of
15 the Federal Government or with any state agency, including any
16 state university or those associations organized for the
17 purpose of assisting agricultural producers involved in
18 alternative agriculture production, or with any farm
19 management company if such company specializes in alternative
20 agriculture production or in assisting alternative agriculture
21 producers, as prescribed by rules adopted by the authority,
22 shall establish programs to train and assist agricultural
23 producers to effectively manage alternative agriculture
24 production operations.

25 (2) An agricultural producer or processor shall be
26 eligible to participate in a program established under this
27 section based upon criteria established by rules of the
28 authority.

29 (3) The authority shall adopt rules to enforce the
30 provisions of this section or the terms of a contract to which
31 the authority is a party. The authority may also enforce the

1 provisions of this section or terms of the contract by
2 bringing an action in any court of competent jurisdiction to
3 recover damages. As a condition of entering into the program,
4 the authority may require that the agricultural producer
5 consent to the jurisdiction of the courts of this state to
6 hear any matter arising from the provisions of this section.

7 Section 2. Section 159.8082, Florida Statutes, is
8 created to read:

9 159.8082 Agricultural development bond pool.--

10 (1) There is established the agricultural development
11 bond pool. The agricultural development bond pool shall be
12 available solely to provide written confirmations for private
13 activity bonds to the Florida Agricultural Development
14 Authority to finance agricultural development as described in
15 ss. 570.251-570.2815. Allocations from this pool shall be
16 awarded for use on a statewide basis pursuant to the
17 procedures specified in s. 159.805, except that the provisions
18 of s. 159.805(2) and (3) do not apply. In issuing written
19 confirmations of allocations for agricultural development
20 projects, the division shall use the agricultural development
21 bond pool. If allocation is not available from the
22 agricultural development bond pool, the division shall issue
23 written confirmations of allocations for agricultural
24 development projects pursuant to s. 159.806 or s. 159.807, in
25 that order. For the purposes of determining priority within a
26 regional allocation pool or the state allocation pool, notices
27 of intent to issue bonds for agricultural development projects
28 to be issued from a regional allocation pool or the state
29 allocation pool shall be considered to have been received by
30 the division at the time it is determined by the division that

31

1 the agricultural development bond pool is unavailable to issue
2 confirmation for such agricultural development project.

3 (2) Any written confirmation issued by the director
4 pursuant to this section has no effect unless the bonds to
5 which such confirmation applies have been issued by the
6 Florida Agricultural Development Authority and written notice
7 of such issuance has been provided to the director on or
8 before November 15, unless a carryforward has been granted for
9 the allocation.

10 Section 3. Section 159.804, Florida Statutes, is
11 amended to read:

12 159.804 Allocation of state volume limitation.--The
13 division shall annually determine the amount of private
14 activity bonds permitted to be issued in this state under the
15 Code and shall make such information available upon request to
16 any person or agency. The total amount of private activity
17 bonds authorized to be issued in this state pursuant to the
18 Code shall be initially allocated as follows on January 1 of
19 each year:

20 (1)(a) On January 1, 1993, the first \$75 million of
21 the state volume limitation shall be allocated to the
22 manufacturing facility pool established pursuant to s.
23 159.8081. This allocation shall be increased in subsequent
24 years in increments of \$7.5 million as follows: On January 1
25 of each year, if at least 75 percent of the preceding year's
26 allocation under this subsection was used to issue bonds by
27 November 15 of that year, the allocation to the pool for the
28 current year must equal the sum of the amount that was
29 allocated to the pool in the preceding year plus an additional
30 \$7.5 million. If, however, 75 percent of the preceding year's
31 allocation was not used to issue bonds by November 15, the

1 allocation to the pool for the current year must be the same
 2 amount as that allocated to the pool in the preceding year.
 3 (b) On January 1, 1999, the next \$10 million of the
 4 state volume limitation shall be allocated to the agricultural
 5 development pool established pursuant to s. 159.8082. This
 6 allocation shall be increased in subsequent years in
 7 increments of \$2 million as follows: On January 1 of each
 8 year, if at least 75 percent of the preceding year's
 9 allocation under this subsection was used to issue bonds by
 10 November 15 of that year, the allocation to the pool for the
 11 current year must equal the sum of the amount that was
 12 allocated to the pool in the preceding year plus an additional
 13 \$2 million. If, however, 75 percent of the preceding year's
 14 allocation was not used to issue bonds by November 15, the
 15 allocation to the pool for the current year must be the same
 16 amount as that allocated to the pool in the preceding year.
 17 (c)~~(b)~~ If on January 1 of any year, under federal law,
 18 bonds for manufacturing facilities or agricultural development
 19 no longer require or are eligible for an allocation pursuant
 20 to s. 146 of the Code, or if a separate volume cap is
 21 established for agricultural development bonds under federal
 22 law, the allocation of the state volume limitation in the
 23 manufacturing facility pool, agricultural development pool, or
 24 both, if applicable, shall be divided among the remaining
 25 pools in the following manner: 50 percent to be shared by the
 26 16 regions for use in the manner prescribed in subsection (2);
 27 25 percent for use by the Florida Housing Finance Agency in
 28 the manner prescribed in subsection (3); 5 percent for use in
 29 the state allocation pool in the manner prescribed in
 30 subsection (4); and 20 percent for use in the Florida First
 31

1 Business allocation pool in the manner prescribed in
2 subsection (5).

3 (d)~~(c)~~ If the state volume limitation imposed on
4 private activity bonds under s. 146 of the Code is decreased,
5 the amount allocated to the manufacturing facility pool shall
6 be decreased in proportion to the percentage the state volume
7 limitation is decreased.

8 (2)(a) Fifty percent of the state volume limitation
9 remaining after the allocations ~~allocation~~ made pursuant to
10 subsection (1) shall be allocated among the regions
11 established in paragraph (b) for use by all agencies whose
12 boundaries are coterminous with or contained within each
13 region. The volume limitation for each regional allocation
14 pool must be an amount that bears the same ratio to 50 percent
15 of the state volume limitation remaining after the allocation
16 made pursuant to subsection (1) for such calendar year as the
17 population of the region bears to the population of the entire
18 state.

19 (b) The following regions are established for the
20 purposes of this allocation:

- 21 1. Region 1 consisting of Bay, Escambia, Holmes,
22 Okaloosa, Santa Rosa, Walton, and Washington Counties.
- 23 2. Region 2 consisting of Calhoun, Franklin, Gadsden,
24 Gulf, Jackson, Jefferson, Leon, Liberty, and Wakulla Counties.
- 25 3. Region 3 consisting of Alachua, Bradford, Columbia,
26 Dixie, Gilchrist, Hamilton, Lafayette, Madison, Suwannee,
27 Taylor, and Union Counties.
- 28 4. Region 4 consisting of Baker, Clay, Flagler,
29 Nassau, Putnam, and St. Johns Counties.
- 30 5. Region 5 consisting of Citrus, Hernando, Levy,
31 Marion, Pasco, and Sumter Counties.

1 6. Region 6 consisting of Brevard, Lake, Osceola,
2 Seminole, and Volusia Counties.

3 7. Region 7 consisting of DeSoto, Hardee, Highlands,
4 Manatee, Okeechobee, and Polk Counties.

5 8. Region 8 consisting of Charlotte, Collier, Glades,
6 Hendry, Lee, Monroe, and Sarasota Counties.

7 9. Region 9 consisting of Indian River, Martin, and
8 St. Lucie Counties.

9 10. Region 10 consisting of Broward County.

10 11. Region 11 consisting of Dade County.

11 12. Region 12 consisting of Duval County.

12 13. Region 13 consisting of Hillsborough County.

13 14. Region 14 consisting of Orange County.

14 15. Region 15 consisting of Palm Beach County.

15 16. Region 16 consisting of Pinellas County.

16 (3)(a) Twenty-five percent of the state volume
17 limitation remaining after the allocations ~~allocation~~ made
18 pursuant to subsection (1) shall be allocated to the Florida
19 Housing Finance Agency for use in connection with the issuance
20 of housing bonds of that agency or its assigns.

21 (b) The Florida Housing Finance Agency need not apply
22 to the division for an allocation of its volume limitation
23 granted under paragraph (a) for bonds it issues prior to July
24 1 of any year and is not subject to the fee required under s.
25 159.811. However, for bonds it intends to issue between July
26 1 and September 29 of any year, utilizing the allocation
27 granted under paragraph (a), the Florida Housing Finance
28 Agency must submit a notice of intent to issue to the division
29 not later than June 30 of such year, and a written
30 confirmation of allocation shall be granted if a sufficient
31 amount of that allocation is available.

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

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

28 (5) Twenty percent of the state volume limitation
29 remaining after the allocations ~~allocation~~ made pursuant to
30 subsection (1) shall be allocated to the Florida First
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1 Business allocation pool, to be used as provided in s.
2 159.8083.

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

5 159.809 Recapture of unused amounts.--

6 (3) On November 16 of each year, any portion of the
7 initial allocation, made pursuant to s. 159.804(1), s.
8 159.804(5), or subsection (1) or subsection (2), other than as
9 provided in ss. 159.8082 and ~~s. 159.8083~~, for which an
10 issuance report for bonds utilizing such an allocation has not
11 been received by the division prior to that date shall be
12 added to the state allocation pool.

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

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