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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.

29  
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

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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  
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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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