

By the Committee on Real Property & Probate and
 Representatives Hafner, Ritchie, Turnbull, Wiles, Ryan, Sobel,
 Levine and Henriquez

1 A bill to be entitled
 2 An act relating to fixed capital outlay grants
 3 and aids appropriations; creating s. 216.348,
 4 F.S.; providing conditions for receipt of
 5 certain grants and aids appropriations by
 6 certain nonprofit entities; providing
 7 definitions; providing for an affidavit of
 8 nonprofit status; providing for an agreement
 9 between the administering agency and the
 10 nonprofit entity; providing minimum
 11 requirements for the agreement; providing that
 12 the nonprofit entity continue operation of the
 13 property for the purposes set forth in the
 14 grant; providing for repayment of grant moneys
 15 received under certain conditions; providing
 16 for the adoption of an accounting system and
 17 providing for audit; providing for liability
 18 insurance and exempting the administering
 19 agency from liability; providing permissive
 20 conditions of the agreement; providing for a
 21 satisfaction of the agreement; providing an
 22 effective date.

23
 24 Be It Enacted by the Legislature of the State of Florida:

25
 26 Section 1. Section 216.348, Florida Statutes, is
 27 created to read:

28 216.348 Fixed capital outlay grants and aids
 29 appropriations to certain nonprofit entities.--If a bill
 30 appropriating a fixed capital outlay grants and aids
 31 appropriation requires compliance with this section, the

1 following conditions shall apply, except to the extent that
2 such bill modifies these conditions:
3 (1) As used in this section, the term:
4 (a) "Administering agency" means the governmental
5 agency or entity which is charged by the bill appropriating
6 the fixed capital outlay grants and aids appropriation to a
7 grantee with administering that appropriation.
8 (b) "Grant" means a fixed capital outlay grants and
9 aids appropriation to a nonprofit entity other than a
10 governmental entity.
11 (c) "Grantee" means a nonprofit entity, other than a
12 governmental entity, to which the Legislature has appropriated
13 over \$50,000 pursuant to a fixed capital outlay grants and
14 aids appropriation.
15 (d) "Fixed capital outlay" has the same meaning as in
16 s. 216.011(1)(o).
17 (2) Prior to the receipt of any grant money from the
18 administering agency, a grantee must provide the administering
19 agency with an affidavit by an officer or director of the
20 grantee certifying under oath that the grantee is a nonprofit
21 entity and must execute a written agreement with the
22 administering agency, in a form approved by the administering
23 agency, pursuant to subsection (3).
24 (3)(a) If the grantee is acquiring real property with
25 the grant, or if the grantee owns the real property upon which
26 an improvement is being constructed, renovated, altered,
27 modified, or maintained with the grant, the grantee must
28 execute, deliver, and record in the county in which the
29 subject property is located an agreement that:
30 1. States a correct legal description of the real
31 property.

1 2. Sets forth with specificity the buildings,
2 appurtenances, fixtures, fixed equipment, structures,
3 improvements, renovations, and personalty to be purchased
4 pursuant to the grant.

5 3. During the term of the agreement, prohibits the
6 grantee from selling, transferring, mortgaging, or assigning
7 the grantee's interest in the real property, unless the
8 administering agency approves the sale, transfer, mortgage, or
9 assignment; and, in the case of sale, transfer, or assignment,
10 the purchaser, transferor, or assignee must fully assume, in
11 writing, all of the terms and conditions of the agreement
12 required by this subsection. The administering agency, at its
13 discretion, may agree to subordination to a mortgage.

14 (b) If the grantee is not acquiring real property, or
15 does not own the real property being improved, the agreement
16 shall:

17 1. Specify the leasehold or other real property
18 interest the grantee has in the real property.

19 2. State the name of the owner of the real property.

20 3. Describe the relationship between the owner of the
21 real property and the grantee.

22 4. Set forth with specificity the improvements,
23 renovations, and personalty to be purchased pursuant to the
24 grant.

25 5. During the term of the agreement, prohibit the
26 grantee from selling, transferring, mortgaging, or assigning
27 the grantee's interest in the leasehold, improvements,
28 renovations, or personalty, unless the administering agency
29 approves the sale, transfer, mortgage, or assignment; and, in
30 the case of sale, transfer, or assignment, the purchaser,
31 transferor, or assignee must fully assume, in writing, all of

1 the terms and conditions of the agreement required by this
2 subsection. Additionally, the grantee shall execute and
3 deliver a security instrument, financing statement, or other
4 appropriate document securing the interest of the
5 administering agency in the improvements, renovations, and
6 personalty associated with the grant. The administering
7 agency, in its discretion, may agree to subordination or
8 modification of a security interest.

9 (c) All agreements required by this subsection shall:

10 1. Require the grantee to continue the operation,
11 maintenance, repair, and administration of the property in
12 accordance with the purposes for which the funds were
13 originally appropriated and for the period of time expressly
14 specified by the bill appropriating the grant. If the bill
15 appropriating the grant does not specify a time period, the
16 administering agency shall determine a reasonable period of
17 time.

18 2. Provide that if the grantee fails, during the term
19 of the agreement, to operate, maintain, repair, and administer
20 the property in accordance with the purposes for which the
21 funds were originally granted, the grantee shall return to the
22 administering agency, no later than upon demand by the
23 administering agency, an amount calculated as follows:

24 a. If the bill appropriating the grant states a
25 specific repayment formula, that formula shall be used;

26 b. If the bill appropriating the grant states a
27 specific period of time but does not specify a repayment
28 formula, the amount to be returned shall be calculated on a
29 pro rata basis for that period of time; or

30 c. If the bill appropriating the grant does not state
31 a specific period of time or formula, the amount to be

1 returned shall be specified by the administering agency, which
2 shall be no less than the full amount of the grant less
3 \$100,000 or 10 percent of the grant, whichever is more, for
4 each full year for which the property was used for such
5 purposes.

6
7 The administering agency shall deposit all funds returned by
8 the grantee into the state fund from which the grant was
9 originally made.

10 3. Require that the grantee adopt an accounting
11 system, in compliance with generally accepted accounting
12 principles, which shall provide for a complete record of the
13 use of the grant money. In addition, the provisions of s.
14 216.3491 shall apply.

15 4. Provide that the grantee shall indemnify, defend,
16 and hold the administering agency harmless from and against
17 any and all claims or demands for damages resulting from
18 personal injury, including death or damage to property,
19 arising out of or relating to the subject property or the use
20 of the grant money. The agreement shall require the grantee to
21 purchase and maintain insurance on behalf of directors,
22 officers, and employees of the grantee against any personal
23 liability or accountability by reason of actions taken while
24 acting within the scope of their authority. The administering
25 agency shall be immune from civil or criminal liability
26 resulting from acts or omissions of the grantee and the
27 grantee's agents, employees, or assigns.

28 5. Require the grantee to return any portion of the
29 grant money received that is not necessary to the purchase of
30 the land, or to the cost of the improvements, renovations, and
31 personalty, for which the grant was awarded.

1 (d) The administering agency may:
2 1. Require that, during any term or period of
3 construction, or until such time as the grant money is fully
4 and properly spent according to the bill appropriating the
5 grant, the grantee obtain a blanket fidelity bond, in the
6 amount of the grant, issued by a company authorized and
7 licensed to do business in this state, which will reimburse
8 the administering agency in the event that anyone handling the
9 grant moneys either misappropriates or absconds with the grant
10 moneys. All employees handling the grant moneys must be
11 covered by the bond.

12 2. Include any other term or condition the
13 administering agency deems reasonable and necessary for the
14 effective and efficient administration of the grant.

15 3. Modify any condition required by this subsection,
16 provided the administering agency deems that such modification
17 is necessary in order to best effectuate the purpose of the
18 grant and provided the bill appropriating the grant, or
19 applicable law, does not otherwise require.

20 (e) The agreement must provide that the administering
21 agency shall execute a satisfaction of the agreement in
22 recordable form upon full compliance by the grantee with the
23 terms of the agreement.

24 Section 2. This act shall take effect upon becoming a
25 law.

26
27
28
29
30
31