

Amendment No. 1 (for drafter's use only)

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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ORIGINAL STAMP BELOW

11 Representative(s) Gay offered the following:

13 **Amendment (with title amendment)**

14 On page 12, between lines 15 and 16 of the bill

16 insert:

17 Section 7. Section 171.093, Florida Statutes, is
18 created to read:

19 171.093 Municipal annexation within independent
20 special districts.--

21 (1) The purpose of this section is to provide an
22 orderly transition of special district service
23 responsibilities in an annexed area from an independent
24 special district which levies ad valorem taxes to a
25 municipality following the municipality's annexation of
26 property located within the jurisdictional boundaries of an
27 independent special district, if the municipality elects to
28 assume such responsibilities.

29 (2) The municipality may make such an election by
30 adopting a resolution evidencing the election and forwarding
31 the resolution to the office of the special district and the

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1 property appraiser and tax collector of the county in which
2 the annexed property is located. In addition, the municipality
3 may incorporate its election into the annexation ordinance.

4 (3) Upon a municipality's election to assume the
5 district's responsibilities, the municipality and the district
6 may enter into an interlocal agreement addressing the orderly
7 transfer of service responsibilities, real assets, equipment,
8 and personnel to the municipality. The agreement shall address
9 allocation of responsibility for special district services,
10 avoidance of double taxation of property owners for such
11 services in the area of overlapping jurisdiction, prevention
12 of loss of any district revenues which may be detrimental to
13 the continued operations of the independent district,
14 avoidance of impairment of existing district contracts,
15 disposition of property and equipment of the independent
16 district and any assumption of indebtedness for it, the status
17 and employee rights of any adversely affected employees of the
18 independent district, and any other matter reasonably related
19 to the transfer of responsibilities.

20 (4)(a) If the municipality and the district are unable
21 to enter into an interlocal agreement pursuant to subsection
22 (3), the municipality shall so advise the district and the
23 property appraiser and tax collector of the county in which
24 the annexed property is located and, effective October 1 of
25 the calendar year immediately following the calendar year in
26 which the municipality declares its intent to assume service
27 responsibilities in the annexed area, the district shall
28 remain the service provider in the annexed area for a period
29 of 4 years. During the 4-year period, the municipality shall
30 pay the district an amount equal to the ad valorem taxes or
31 assessments that would have been collected had the property

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1 remained in the district.

2 (b) By the end of the 4-year period, or any extension
3 mutually agreed upon by the district the municipality, the
4 municipality and the district shall enter into an agreement
5 that identifies the existing district property located in the
6 municipality or primarily serving the municipality that will
7 be assumed by the municipality, the fair market value of such
8 property, and the manner of transfer of such property and any
9 associated indebtedness. If the municipality and district are
10 unable to agree to an equitable distribution of the district's
11 property and indebtedness, the matter shall proceed to circuit
12 court. In equitably distributing the district's property and
13 associated indebtedness, the taxes and other revenues paid the
14 district by or on behalf of the residents of the annexed area
15 shall be taken into consideration.

16 (c) During the 4-year period, or during any mutually
17 agreed upon extension, district service and capital
18 expenditures within the annexed area shall continue to be
19 rationally related to the annexed area's service needs.
20 Service and capital expenditures within the annexed area shall
21 also continue to be rationally related to the percentage of
22 district revenue received on behalf of the residents of the
23 annexed area when compared to the district's total revenue. A
24 capital expenditure greater than \$25,000 shall not be made by
25 the district for use primarily within the annexed area without
26 the express consent of the municipality.

27 (5) If the municipality elects not to assume the
28 district's responsibilities, the district shall remain the
29 service provider in the annexed area, the geographical
30 boundaries of the district shall continue to include the
31 annexed area, and the district may continue to levy ad valorem

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1 taxes and assessments on the real property located within the
2 annexed area. If the municipality elects to assume the
3 district's responsibilities in accordance with subsection (3),
4 the district's boundaries shall contract to exclude the
5 annexed area at the time and in the manner provided in the
6 agreement.

7 (6) If the municipality elects to assume the
8 district's responsibilities and the municipality and the
9 district are unable to enter into an interlocal agreement, and
10 the district continues to remain the service provider in the
11 annexed area in accordance with subsection (4), the
12 geographical boundaries of the district shall contract to
13 exclude the annexed area on the effective date of the
14 beginning of the 4-year period provided for in subsection (4).
15 Nothing in this section precludes the contraction of the
16 boundary of any independent special district by special act of
17 the Legislature. The district shall not levy ad valorem taxes
18 or assessments on the annexed property in the calendar year in
19 which its boundaries contract and subsequent years, but it may
20 continue to collect and use all ad valorem taxes and
21 assessments levied in prior years. Nothing in this section
22 prohibits the district from assessing user charges and impact
23 fees within the annexed area while it remains the service
24 provider.

25 (7) In addition to any other authority provided by
26 law, a municipality is authorized to levy assessments on
27 property located in an annexed area to offset all or a portion
28 of the costs incurred by the municipality in assuming district
29 responsibilities pursuant to this section. Such assessments
30 may be collected pursuant to and in accordance with applicable
31 law.

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1 (8) This section does not apply to districts created
2 pursuant to chapter 190 or chapter 373.

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5 ===== T I T L E A M E N D M E N T =====

6 And the title is amended as follows:

7 On page 2, line 1

8
9 after the semicolon insert:

10 creating s. 171.093, F.S.; providing for the
11 assumption of an independent special district's
12 service responsibilities in an area that is
13 within the district's boundaries and that is
14 annexed by a municipality; providing that the
15 municipality may elect to assume such
16 responsibilities; providing for an interlocal
17 agreement regarding the transfer of such
18 responsibilities; providing for the provision
19 of services and payment therefor during a
20 specified period if the municipality and
21 district are unable to enter into an interlocal
22 agreement; specifying effect of a
23 municipality's election not to assume such
24 responsibilities; providing for contraction of
25 the district's boundaries if the municipality
26 elects to assume such responsibilities;
27 providing for levy of ad valorem taxes and
28 assessments, user charges, and impact fees;
29 providing exceptions;