      By the Committee on Community Affairs and Representative
Gay

1   A bill to be entitled
2   An act relating to municipal annexation;
3   creating s. 171.093, F.S.; providing for the
4   assumption of an independent special district's
5   service responsibilities in an area that is
6   within the district's boundaries and that is
7   annexed by a municipality; providing that the
8   municipality may elect to assume such
9   responsibilities; providing for an interlocal
10   agreement regarding the transfer of such
11   responsibilities; providing for the provision
12   of services and payment therefor during a
13   specified period if the municipality and
14   district are unable to enter into an interlocal
15   agreement; specifying effect of a
16   municipality's election not to assume such
17   responsibilities; providing for contraction of
18   the district's boundaries if the municipality
19   elects to assume such responsibilities;
20   providing for levy of ad valorem taxes and
21   assessments, user charges, and impact fees;
22   providing exceptions; providing an effective
23   date.
24
25   Be It Enacted by the Legislature of the State of Florida:
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27   Section 1. Section 171.093, Florida Statutes, is
28   created to read:
29   171.093 Municipal annexation within independent
30   special districts.--
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1   (1) The purpose of this section is to provide an
2   orderly transition of special district service
3   responsibilities in an annexed area from an independent
4   special district which levies ad valorem taxes to a
5   municipality following the municipality's annexation of
6   property located within the jurisdictional boundaries of an
7   independent special district, if the municipality elects to
8   assume such responsibilities.
9   (2) The municipality may make such an election by
10 adopting a resolution evidencing the election and forwarding
11 the resolution to the office of the special district and the
12 property appraiser and tax collector of the county in which
13 the annexed property is located. In addition, the municipality
14 may incorporate its election into the annexation ordinance.
15   (3) Upon a municipality's election to assume the
16 district's responsibilities, the municipality and the district
17 may enter into an interlocal agreement addressing the orderly
18 transfer of service responsibilities, real assets, equipment,
19 and personnel to the municipality. The agreement shall address
20 allocation of responsibility for special district services,
21 avoidance of double taxation of property owners for such
22 services in the area of overlapping jurisdiction, prevention
23 of loss of any district revenues which may be detrimental to
24 the continued operations of the independent district,
25 avoidance of impairment of existing district contracts,
26 disposition of property and equipment of the independent
27 district and any assumption of indebtedness for it, the status
28 and employee rights of any adversely affected employees of the
29 independent district, and any other matter reasonably related
30 to the transfer of responsibilities.
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CODING: Words ~~stricken~~ are deletions; words <u>underlined</u> are additions.

 1   (4)(a) If the municipality and the district are unable
 2 to enter into an interlocal agreement pursuant to subsection
 3 (3), the municipality shall so advise the district and the
 4 property appraiser and tax collector of the county in which
 5 the annexed property is located and, effective October 1 of
 6 the calendar year immediately following the calendar year in
 7 which the municipality declares its intent to assume service
 8 responsibilities in the annexed area, the district shall
 9 remain the service provider in the annexed area for a period
10 of 4 years. During the 4-year period, the municipality shall
11 pay the district an amount equal to the ad valorem taxes or
12 assessments that would have been collected had the property
13 remained in the district.
14   (b) By the end of the 4-year period, or any extension
15 mutually agreed upon by the district the municipality, the
16 municipality and the district shall enter into an agreement
17 that identifies the existing district property located in the
18 municipality or primarily serving the municipality that will
19 be assumed by the municipality, the fair market value of such
20 property, and the manner of transfer of such property and any
21 associated indebtedness. If the municipality and district are
22 unable to agree to an equitable distribution of the district's
23 property and indebtedness, the matter shall proceed to circuit
24 court. In equitably distributing the district's property and
25 associated indebtedness, the taxes and other revenues paid the
26 district by or on behalf of the residents of the annexed area
27 shall be taken into consideration.
28   (c) During the 4-year period, or during any mutually
29 agreed upon extension, district service and capital
30 expenditures within the annexed area shall continue to be
31 rationally related to the annexed area's service needs.

 1 | Service and capital expenditures within the annexed area shall
 2 | also continue to be rationally related to the percentage of
 3 | district revenue received on behalf of the residents of the
 4 | annexed area when compared to the district's total revenue. A
 5 | capital expenditure greater than $25,000 shall not be made by
 6 | the district for use primarily within the annexed area without
 7 | the express consent of the municipality.
 8 | (5) If the municipality elects not to assume the
 9 | district's responsibilities, the district shall remain the
10 | service provider in the annexed area, the geographical
11 | boundaries of the district shall continue to include the
12 | annexed area, and the district may continue to levy ad valorem
13 | taxes and assessments on the real property located within the
14 | annexed area. If the municipality elects to assume the
15 | district's responsibilities in accordance with subsection (3),
16 | the district's boundaries shall contract to exclude the
17 | annexed area at the time and in the manner provided in the
18 | agreement.
19 | (6) If the municipality elects to assume the
20 | district's responsibilities and the municipality and the
21 | district are unable to enter into an interlocal agreement, and
22 | the district continues to remain the service provider in the
23 | annexed area in accordance with subsection (4), the
24 | geographical boundaries of the district shall contract to
25 | exclude the annexed area on the effective date of the
26 | beginning of the 4-year period provided for in subsection (4).
27 | Nothing in this section precludes the contraction of the
28 | boundary of any independent special district by special act of
29 | the Legislature. The district shall not levy ad valorem taxes
30 | or assessments on the annexed property in the calendar year in
31 | which its boundaries contract and subsequent years, but it may

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1 continue to collect and use all ad valorem taxes and

2 assessments levied in prior years. Nothing in this section

3 prohibits the district from assessing user charges and impact

4 fees within the annexed area while it remains the service

5 provider.

6   (7) In addition to any other authority provided by

7 law, a municipality is authorized to levy assessments on

8 property located in an annexed area to offset all or a portion

9 of the costs incurred by the municipality in assuming district

10 responsibilities pursuant to this section. Such assessments

11 may be collected pursuant to and in accordance with applicable

12 law.

13   (8) This section does not apply to districts created

14 pursuant to chapter 190 or chapter 373.

15   Section 2. This act shall take effect upon becoming a

16 law.

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19   HOUSE SUMMARY

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21 Provides for the assumption of an independent special
   district's service responsibilities in an area that is
   within the district's boundaries and that is annexed by a

22 municipality. Provides that the municipality may elect to
   assume such responsibilities. Provides for an interlocal

23 agreement regarding the transfer of such
   responsibilities. Provides for the provision of services

24 and payment therefor during a specified period if the
   municipality and district are unable to enter into an

25 interlocal agreement. Specifies effect of a
   municipality's election not to assume such

26 responsibilities. Provides for contraction of the
   district's boundaries if the municipality elects to

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   valorem taxes and assessments, user charges, and impact

28 fees.

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