

1 A bill to be entitled
2 An act relating to intergovernmental programs;
3 amending s. 163.01, F.S.; prohibiting an entity
4 created under the Interlocal Cooperation Act
5 and consisting of municipalities and counties
6 from owning and operating certain public
7 facilities that serve populations outside the
8 territorial limits of the entity members;
9 providing an effective date.

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11 Be It Enacted by the Legislature of the State of Florida:

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13 Section 1. Paragraph (g) of subsection (7) of section
14 163.01, Florida Statutes, is amended to read:

15 163.01 Florida Interlocal Cooperation Act of 1969.--

16 (7)

17 (g)1. Notwithstanding any other provisions of this
18 section, any separate legal entity created under this section,
19 the membership of which is limited to municipalities and
20 counties of the state, may acquire, own, construct, improve,
21 operate, and manage public facilities relating to a
22 governmental function or purpose, including, but not limited
23 to, wastewater facilities, water or alternative water supply
24 facilities, and water reuse facilities, which may serve
25 populations by providing wastewater facilities, water or
26 alternative water supply facilities and water reuse facilities
27 within but not ~~or~~ outside the territorial limits of the
28 members of the entity. Provided, however, that facilities
29 owned prior to the effective date of this act by any separate
30 legal entity created under this paragraph shall be exempt from
31 its application. Notwithstanding s. 367.171(7), any separate

1 legal entity created under this paragraph is not subject to
2 commission jurisdiction and may not provide utility services
3 within the service area of an existing utility system unless
4 it has received the consent of the utility. The entity may
5 finance or refinance the acquisition, construction, expansion,
6 and improvement of the public facility through the issuance of
7 its bonds, notes, or other obligations under this section. The
8 entity has all the powers provided by the interlocal agreement
9 under which it is created or which are necessary to own,
10 operate, or manage the public facility, including, without
11 limitation, the power to establish rates, charges, and fees
12 for products or services provided by it, the power to levy
13 special assessments, the power to sell all or a portion of its
14 facility, and the power to contract with a public or private
15 entity to manage and operate its facilities or to provide or
16 receive services or products. Except as may be limited by the
17 interlocal agreement under which the entity is created, all of
18 the privileges, benefits, powers, and terms of s. 125.01,
19 relating to counties, and s. 166.021, relating to
20 municipalities, are fully applicable to the entity. However,
21 neither the entity nor any of its members on behalf of the
22 entity may exercise the power of eminent domain over the
23 facilities or property of any existing water or wastewater
24 plant utility system, nor may the entity acquire title to any
25 water or wastewater plant utility facilities or property which
26 was acquired by the use of eminent domain after the effective
27 date of this act. Bonds, notes, and other obligations issued
28 by the entity are issued on behalf of the public agencies that
29 are members of the entity.

30 2. Any entity created under this section may also
31 issue bond anticipation notes in connection with the

1 authorization, issuance, and sale of bonds. The bonds may be
2 issued as serial bonds or as term bonds or both. Any entity
3 may issue capital appreciation bonds or variable rate bonds.
4 Any bonds, notes, or other obligations must be authorized by
5 resolution of the governing body of the entity and bear the
6 date or dates; mature at the time or times, not exceeding 40
7 years from their respective dates; bear interest at the rate
8 or rates; be payable at the time or times; be in the
9 denomination; be in the form; carry the registration
10 privileges; be executed in the manner; be payable from the
11 sources and in the medium or payment and at the place; and be
12 subject to the terms of redemption, including redemption prior
13 to maturity, as the resolution may provide. If any officer
14 whose signature, or a facsimile of whose signature, appears on
15 any bonds, notes, or other obligations ceases to be an officer
16 before the delivery of the bonds, notes, or other obligations,
17 the signature or facsimile is valid and sufficient for all
18 purposes as if he or she had remained in office until the
19 delivery. The bonds, notes, or other obligations may be sold
20 at public or private sale for such price as the governing body
21 of the entity shall determine. Pending preparation of the
22 definitive bonds, the entity may issue interim certificates,
23 which shall be exchanged for the definitive bonds. The bonds
24 may be secured by a form of credit enhancement, if any, as the
25 entity deems appropriate. The bonds may be secured by an
26 indenture of trust or trust agreement. In addition, the
27 governing body of the legal entity may delegate, to an
28 officer, official, or agent of the legal entity as the
29 governing body of the legal entity may select, the power to
30 determine the time; manner of sale, public or private;
31 maturities; rate of interest, which may be fixed or may vary

1 at the time and in accordance with a specified formula or
2 method of determination; and other terms and conditions as may
3 be deemed appropriate by the officer, official, or agent so
4 designated by the governing body of the legal entity. However,
5 the amount and maturity of the bonds, notes, or other
6 obligations and the interest rate of the bonds, notes, or
7 other obligations must be within the limits prescribed by the
8 governing body of the legal entity and its resolution
9 delegating to an officer, official, or agent the power to
10 authorize the issuance and sale of the bonds, notes, or other
11 obligations.

12 3. Bonds, notes, or other obligations issued under
13 subparagraph 1. may be validated as provided in chapter 75.
14 The complaint in any action to validate the bonds, notes, or
15 other obligations must be filed only in the Circuit Court for
16 Leon County. The notice required to be published by s. 75.06
17 must be published in Leon County and in each county that is a
18 member of the entity issuing the bonds, notes, or other
19 obligations, or in which a member of the entity is located,
20 and the complaint and order of the circuit court must be
21 served only on the State Attorney of the Second Judicial
22 Circuit and on the state attorney of each circuit in each
23 county that is a member of the entity issuing the bonds,
24 notes, or other obligations or in which a member of the entity
25 is located. Section 75.04(2) does not apply to a complaint for
26 validation brought by the legal entity.

27 4. The accomplishment of the authorized purposes of a
28 legal entity created under this paragraph is in all respects
29 for the benefit of the people of the state, for the increase
30 of their commerce and prosperity, and for the improvement of
31 their health and living conditions. Since the legal entity

1 will perform essential governmental functions in accomplishing
2 its purposes, the legal entity is not required to pay any
3 taxes or assessments of any kind whatsoever upon any property
4 acquired or used by it for such purposes or upon any revenues
5 at any time received by it. The bonds, notes, and other
6 obligations of an entity, their transfer and the income
7 therefrom, including any profits made on the sale thereof, are
8 at all times free from taxation of any kind by the state or by
9 any political subdivision or other agency or instrumentality
10 thereof. The exemption granted in this subparagraph is not
11 applicable to any tax imposed by chapter 220 on interest,
12 income, or profits on debt obligations owned by corporations.

13 Section 2. This act shall take effect upon becoming a
14 law.

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