By Senator Argenziano

3-1461-04 See HB

A bill to be entitled 1 2 An act relating to rural counties; transferring 3 the Small County Technical Assistance Program 4 by type two transfer from the Department of 5 Agriculture and Consumer Services to the 6 Department of Community Affairs; amending s. 7 163.05, F.S.; changing references, to conform; amending s. 288.0656, F.S.; describing 8 9 designees to the Rural Economic Development 10 Initiative; updating the list of Rural Economic 11 Development Initiative members; providing a 12 definition; creating s. 288.06571, F.S.; providing definitions; authorizing the 13 14 provision of grants to fiscally constrained counties; providing for a grant application 15 process, a marketing process, review criteria, 16 17 a review process, and a reporting requirement; providing for rulemaking; providing an 18 19 effective date. 20 21 Be It Enacted by the Legislature of the State of Florida: 22 23 Section 1. The Small County Technical Assistance Program, as authorized and governed by section 163.05, Florida 24 25 Statutes, is transferred by a type two transfer, as defined in 26 section 20.06(2), Florida Statutes, from the Department of 27 Agriculture and Consumer Services to the Department of 28 Community Affairs. 29 Section 2. Section 163.05, Florida Statutes, is 30 amended to read: 31 163.05 Small County Technical Assistance Program. --

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CODING: Words stricken are deletions; words underlined are additions.

- (1) Among small counties, the Legislature finds that:
- (a) The percentage of the population of small counties residing in the unincorporated areas is relatively high based on the United States Decennial Census of 2000.
- (b) Projected revenue and expenditure trends of the small counties indicate that a serious fiscal condition has developed that could require a number of small counties to declare financial emergencies.
- (c) Fiscal shortfalls persist even though 12 of the small counties levied the maximum ad valorem millage authorized in their jurisdictions in 2001 and an additional 15 small counties levied between 8 and 10 mills.
- (d) State and federal mandates will continue to place additional funding demands on small counties.
- (2) Recognizing the findings in subsection (1), the Legislature declares that:
- (a) The fiscal emergencies confronting small counties require an investment that will facilitate efforts to improve the productivity and efficiency of small counties' structures and operating procedures.
- (b) Current and additional revenue enhancements authorized by the Legislature should be managed and administered using appropriate management practices and expertise.
- (3) The purpose of this section is to provide technical assistance to small counties to enable them to implement workable solutions to financial and administrative problems. As used in this section, "small county" means a county that has a population of 75,000 or less.

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- The Department of Community Affairs Commissioner 1 2 of Agriculture shall enter into contracts with program 3 providers who shall:
 - (a) Be a foundation that meets the requirements for nonprofit status under s. 501(c)(3) of the Internal Revenue Code with a governing board which includes in its membership county commissioners and professional staff of the county.
 - Have substantial and documented experience working closely with county governments in providing both educational and technical assistance.
 - (c) Use existing resources, services, and information that are available from state or local agencies, universities, or the private sector.
 - (d) Seek and accept funding from any public or private source.
 - (e) Assist small counties in developing alternative revenue sources.
 - (f) Provide assistance to small counties in areas such as financial management, accounting, investing, purchasing, planning and budgeting, debt issuance, public management, management systems, computers and information technology, economic and community development, and public safety management.
 - (g) Provide for an annual independent financial audit of the program.
 - In each county served, conduct a needs assessment upon which the assistance provided for that county will be designed.
- (5)(a) The Department of Community Affairs Commissioner of Agriculture shall issue a request for 31 proposals to provide assistance to small counties. The request

for proposals shall be required no more frequently than every third year beginning with fiscal year 2004-2005. All contracts in existence on the effective date of this act between the Comptroller or the Commissioner of Agriculture and any other party with respect to the Small County Technical Assistance Program may be accepted by the Department of Community Affairs Commissioner of Agriculture as the party in interest and said contracts shall remain in full force and effect according to their terms.

- (b) The <u>Department of Community Affairs</u> Commissioner of Agriculture shall review each contract proposal submitted.
- (c) The <u>Department of Community Affairs</u> Commissioner of Agriculture shall consider the following factors in reviewing contract proposals:
- 1. The demonstrated capacity of the provider to conduct needs assessments and implement the program as proposed.
- 2. The number of small counties to be served under the proposal.
- 3. The cost of the program as specified in a proposed budget.
- 4. The short-term and long-term benefits of the assistance to small counties.
- 5. The form and extent to which existing resources, services, and information that are available from state and local agencies, universities, and the private sector will be used by the provider under the contract.
- (6) A decision of the <u>Department of Community Affairs</u> Commissioner of Agriculture to award a contract under this section is final and shall be in writing.

1 The Department of Community Affairs Commissioner 2 of Agriculture shall provide fiscal oversight to ensure that 3 funds expended for the program are used in accordance with the contracts entered into pursuant to subsection (4) and shall 4 5 conduct a performance review of the program as may be 6 necessary to ensure that the goals and objectives of the 7 program are being met. 8 Section 3. Subsections (6) and (7) of section 288.0656, Florida Statutes, are amended to read: 9 10 288.0656 Rural Economic Development Initiative .--11 (6)(a) By August 1 of each year, the head of each of the following agencies and organizations shall designate a 12 high-level staff person who directly reports to the head of 13 from within the agency or organization to serve as the REDI 14 15 representative for the agency or organization: The Department of Community Affairs. 16 17 2. The Department of Transportation. 3. The Department of Environmental Protection. 18 19 4. The Department of Agriculture and Consumer 20 Services. 21 5. The Department of State. 22 6. The Department of Health. The Department of Children and Family Services. 23 7. 24 8. The Department of Corrections. The Agency for Workforce Innovation. 25 9. The Department of Education. 26 10. 27 The Department of Juvenile Justice. 11. 28 12. The Department of Elderly Affairs. 29 The Agency for Health Care Administration. 13. 14.12. The Fish and Wildlife Conservation Commission. 30 15.13. Each water management district. 31

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1 16.14. Enterprise Florida, Inc. 2 17.15. Workforce Florida, Inc. 3 18.16. The Florida Commission on Tourism or VISIT 4 Florida. 5 19.17. The Florida Regional Planning Council 6 Association. 7 20.18. The Florida State Rural Development Council. 8 21.19. The Institute of Food and Agricultural Sciences 9 (IFAS). 10 11 An alternate for each designee shall also be chosen, and the names of the designees and alternates shall be sent to the 12 director of the Office of Tourism, Trade, and Economic 13 14 Development. (b) Each REDI representative must have comprehensive 15 knowledge of his or her agency's functions, both regulatory 16 17 and service in nature, and of the state's economic goals, policies, and programs. This person shall be the primary point 18 19 of contact for his or her agency with REDI on issues and projects relating to economically distressed rural communities 20 and with regard to expediting project review, shall ensure a 21 prompt effective response to problems arising with regard to 22 rural issues, and shall work closely with the other REDI 23 24 representatives in the identification of opportunities for 25 preferential awards of program funds and allowances and waiver of program requirements when necessary to encourage and 26 27 facilitate long-term private capital investment and job 28 creation.

(c) The REDI representatives shall work with REDI in

the review and evaluation of statutes and rules for adverse

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impact on rural communities and the development of alternative proposals to mitigate that impact.

- (d) Each REDI representative shall be responsible for ensuring that each district office or facility of his or her agency is informed about the Rural Economic Development Initiative and for providing assistance throughout the agency in the implementation of REDI activities.
- (7)(a) REDI may recommend to the Governor up to three rural areas of critical economic concern. A rural area of critical economic concern must be a rural community, or a region composed of such, that has been adversely affected by an extraordinary economic event or a natural disaster or that presents a unique economic development opportunity of regional impact that will create more than 1,000 jobs over a 5-year period. The Governor may by executive order designate up to three rural areas of critical economic concern which will establish these areas as priority assignments for REDI as well as to allow the Governor, acting through REDI, to waive criteria, requirements, or similar provisions of any economic development incentive. Such incentives shall include, but not be limited to: the Qualified Target Industry Tax Refund Program under s. 288.106, the Quick Response Training Program under s. 288.047, the Quick Response Training Program for participants in the welfare transition program under s. 288.047(8), transportation projects under s. 288.063, the brownfield redevelopment bonus refund under s. 288.107, and the rural job tax credit program under ss. 212.098 and 220.1895. Designation as a rural area of critical economic concern under this subsection shall be contingent upon the execution of a memorandum of agreement among the Office of 31 | Tourism, Trade, and Economic Development; the governing body

of the county; and the governing bodies of any municipalities to be included within a rural area of critical economic concern. Such agreement shall specify the terms and conditions of the designation, including, but not limited to, the duties and responsibilities of the county and any participating municipalities to take actions designed to facilitate the retention and expansion of existing businesses in the area, as well as the recruitment of new businesses to the area.

county designated as a rural area of critical economic concern for which the value of a mill in the county is no more than \$3 million based on the property valuations and tax data annually published by the Department of Revenue under s. 195.052. It is the intent of the Legislature that a fiscally constrained county for which the value of a mill in the county is at least \$1 million, and which receives benefits from the state, demonstrate progress toward ending its status as a fiscally constrained county and, as appropriate, provide increasing amounts of local financial support, commensurate with such progress, as match for state benefits.

Section 4. Section 288.06571, Florida Statutes, is created to read:

288.06571 Fiscally constrained county grants.--

- (1) Definitions.--As used in this section, the term:
- (a) "Fiscally constrained county" has the same meaning ascribed in s. 288.0656.
- (b) "Department" means the Department of Community Affairs.
- (2) The department may accept and administer moneys appropriated to it for providing grants to assist fiscally constrained counties with government services or

infrastructure development, including, but not limited to, for use as matching funds for larger grants that would improve government services or promote infrastructure development or for use as seed funding for long-term projects.

- Economic Development Initiative, shall establish a competitive grant application process for fiscally constrained counties.

 The process must not be burdensome to any applicant and the Rural Economic Development Initiative shall provide, or facilitate the provision of, technical and administrative assistance to any applicant that requests assistance in completing an application or grantee that requests such assistance with respect to grant-related activities. Although this grant program is competitive in nature, it is the intent of the Legislature that the program promote full participation of eligible applicants.
- (4) The Rural Economic Development Initiative shall directly and aggressively inform, through various communications media, fiscally constrained counties about the grant program and the availability of funds.
- (5) The department, in consultation with the Rural Economic Development Initiative, shall establish criteria for reviewing grant applications. These criteria must include, but are not limited to, the need for a grant and the degree of participation and commitment by the local community in the proposed grant-funded activity.
- (6) The department and the Rural Economic Development
 Initiative shall review grant applications. The department, in
 consultation with the Rural Economic Development Initiative,
 shall approve grant award amounts and award grants as soon as
 practicable after such review.

(7) At least annually and upon completion of grant-funded activities, a fiscally constrained county receiving a grant must provide the department a written report describing the status of grant-funded activities, the cumulative benefit to the county of those activities, the nature and amount of local or other financial support used for those activities, and the progress made toward ending the s status as a fiscally constrained county. The department shall transmit a copy of the report to the Rural Economic Development Initiative. (8) The department may adopt rules pursuant to ss. 120.536(1) and 120.54 to implement the provisions of this section conferring duties upon it. Section 5. This act shall take effect July 1, 2004.