

By the Committee on Education; and Senator Atwater

304-1995-04

1 A bill to be entitled
2 An act relating to local government
3 accountability; amending s. 11.40, F.S.;
4 revising duties of the Legislative Auditing
5 Committee; amending s. 11.45, F.S.; specifying
6 requirements for a petition for a municipal
7 audit; revising reporting requirements of the
8 Auditor General; providing for technical advice
9 by the Auditor General; amending s. 61.181,
10 F.S.; correcting a cross-reference; amending s.
11 75.05, F.S.; deleting a requirement for an
12 independent special district to submit a copy
13 of a complaint to the Division of Bond Finance
14 of the State Board of Administration; amending
15 s. 112.08, F.S.; clarifying that local
16 governments are authorized to provide health
17 insurance; amending s. 112.625, F.S.; revising
18 the definition of "governmental entity" to
19 include counties and district school boards;
20 amending s. 112.63, F.S.; providing for
21 additional material information to be provided
22 to the Department of Management Services in
23 actuarial reports with regard to retirement
24 systems and plans and providing procedures
25 therefor; providing for notification of the
26 Department of Revenue and the Department of
27 Financial Services in cases of noncompliance
28 and authorizing the withholding of certain
29 funds; requiring the Department of Management
30 Services to notify the Department of Community
31 Affairs in the case of affected special

1 districts; amending s. 130.04, F.S.; revising
2 provisions governing notice of bids and
3 disposition of bonds; amending s. 132.02, F.S.;
4 revising provisions relating to the
5 authorization to issue refund bonds; amending
6 s. 132.09, F.S.; revising provisions relating
7 to the notice of sale, bids, and awards and
8 private sale of bonds; amending s. 163.05,
9 F.S.; revising provisions governing the Small
10 County Technical Assistance Program; amending
11 s. 166.121, F.S.; revising provisions governing
12 the issuance of bonds by a municipality;
13 amending s. 166.241, F.S.; providing a
14 municipal budget amendment process and
15 requirements; amending s. 189.4044, F.S.;
16 revising special procedures for determination
17 of inactive special districts; amending s.
18 189.412, F.S.; revising duties of the Special
19 District Information Program of the Department
20 of Community Affairs; amending s. 189.418,
21 F.S.; revising reporting requirements of newly
22 created special districts; authorizing the
23 governing body of a special district to amend
24 its budget; amending s. 189.419, F.S.; revising
25 provisions relating to the failure of special
26 districts to file required reports; amending s.
27 189.421, F.S.; revising provisions governing
28 the failure of special districts to disclose
29 financial reports; providing for extension of
30 time for the filing of the reports; providing
31 remedies for noncompliance; providing for

1 attorney's fees and costs; amending s. 189.428,
2 F.S.; revising provisions governing the special
3 district oversight review process; amending s.
4 189.439, F.S.; revising provisions governing
5 the issuance of bonds by special districts;
6 amending s. 191.005, F.S.; exempting a
7 candidate from campaign requirements under
8 specified conditions; providing for the removal
9 of a board member upon becoming unqualified;
10 amending s. 218.075, F.S.; revising provisions
11 governing the reduction or waiver of permit
12 processing fees for certain counties; amending
13 s. 218.32, F.S., relating to annual financial
14 reports; requiring the Department of Financial
15 Services to notify the Speaker of the House of
16 Representatives and the President of the Senate
17 of any municipality that has not had financial
18 activity for a specified period of time;
19 providing that such notice is sufficient to
20 initiate dissolution procedures; repealing s.
21 218.321, F.S., relating to annual financial
22 statements of local governmental entities;
23 amending s. 218.39, F.S.; providing reporting
24 requirements for certain special districts;
25 amending s. 218.36, F.S.; revising reporting
26 requirements for boards of county commissioners
27 relating to the failure of a county officer to
28 comply with the provisions of the section;
29 amending s. 218.369, F.S.; revising the
30 definition of "unit of local government" to
31 include district school boards; renaming pt. V

1 of ch. 218, F.S., as "Local Governmental Entity
2 and District School Board Financial
3 Emergencies"; amending s. 218.50, F.S.;
4 renaming ss. 218.50-218.504, F.S., as the
5 "Local Governmental Entity and District School
6 Board Act"; amending s. 218.501, F.S.; revising
7 the stated purposes of pt. V of ch. 218, F.S.;
8 amending s. 218.502, F.S.; revising the
9 definition of "local governmental entity";
10 amending s. 218.503, F.S.; revising provisions
11 governing the determination of a financial
12 emergency for local governments and district
13 school boards; amending s. 218.504, F.S.;
14 revising provisions relating to the authority
15 of the Governor and authorizing the
16 Commissioner of Education to terminate all
17 state actions pursuant to ss. 218.50-218.504,
18 F.S.; repealing ch. 131, F.S., consisting of
19 ss. 131.01, 131.02, 131.03, 131.04, 131.05, and
20 131.06, F.S., relating to refunding bonds of
21 counties, municipalities, and special
22 districts; repealing s. 132.10, F.S., relating
23 to minimum sale price of bonds; repealing s.
24 165.052, F.S., relating to special dissolution
25 procedures for municipalities; repealing s.
26 189.409, F.S., relating to determination of
27 financial emergencies of special districts;
28 repealing s. 189.422, F.S., relating to actions
29 of the Department of Community Affairs and
30 special districts; repealing s. 200.0684, F.S.,
31 relating to an annual compliance report of the

1 Department of Community Affairs regarding
2 special districts; repealing s. 218.37(1)(h),
3 F.S., relating to the requirement that the
4 Division of Bond Finance use a served copy of
5 the complaint for bond validation to verify
6 compliance by special districts with the
7 requirements in s. 218.38, F.S.; amending s.
8 215.195, F.S., relating to the Statewide Cost
9 Allocation Plan; providing that the Department
10 of Financial Services is responsible for the
11 plan's preparation and the monitoring of agency
12 compliance; amending s. 215.97, F.S., relating
13 to the Florida Single Audit Act; revising and
14 providing definitions; revising the uniform
15 state audit requirements for state financial
16 assistance that is provided by state agencies
17 to nonstate entities; requiring the Department
18 of Financial Services to adopt rules and
19 perform additional duties with respect to the
20 provision of financial assistance to carry out
21 state projects; specifying duties of
22 coordinating agencies; amending s. 1010.47,
23 F.S.; providing that school districts must sell
24 bonds; deleting obsolete provisions relating to
25 the sale of bonds by a school district;
26 transferring a position from the Executive
27 Office of the Governor to the Department of
28 Financial Services; providing an effective
29 date.

30
31 Be It Enacted by the Legislature of the State of Florida:

1 Section 1. Paragraphs (a) and (b) of subsection (5) of
2 section 11.40, Florida Statutes, are amended to read:

3 11.40 Legislative Auditing Committee.--

4 (5) Following notification by the Auditor General, the
5 Department of Financial Services, or the Division of Bond
6 Finance of the State Board of Administration of the failure of
7 a local governmental entity, district school board, charter
8 school, or charter technical career center to comply with the
9 applicable provisions within s. 11.45(5)-(7), s. 218.32(1), or
10 s. 218.38, the Legislative Auditing Committee may schedule a
11 hearing. If a hearing is scheduled, the committee shall
12 determine if the entity should be subject to further state
13 action. If the committee determines that the entity should be
14 subject to further state action, the committee shall:

15 (a) In the case of a local governmental entity or
16 district school board, direct request the Department of
17 Revenue and the Department of Financial Services to withhold
18 any funds not pledged for bond debt service satisfaction which
19 are payable to such entity until the entity complies with the
20 law. The committee, ~~in its request,~~ shall specify the date
21 such action shall begin, and the directive request must be
22 received by the Department of Revenue and the Department of
23 Financial Services 30 days before the date of the distribution
24 mandated by law. The Department of Revenue and the Department
25 of Financial Services may implement the provisions of this
26 paragraph.

27 (b) In the case of a special district, notify the
28 Department of Community Affairs that the special district has
29 failed to comply with the law. Upon receipt of notification,
30 the Department of Community Affairs shall proceed pursuant to
31 the provisions specified in s. ss. 189.421 and 189.422.

1 Section 2. Paragraph (g) of subsection (2),
2 subsections (3) and (5), paragraph (e) of subsection (7), and
3 subsections (8) and (9) of section 11.45, Florida Statutes,
4 are amended to read:

5 11.45 Definitions; duties; authorities; reports;
6 rules.--

7 (2) DUTIES.--The Auditor General shall:

8 (g) At least every 2 years, conduct a performance
9 audit of the local government financial reporting system,
10 which, for the purpose of this chapter, means any statutory
11 provisions related to local government financial reporting.
12 The purpose of such an audit is to determine the accuracy,
13 efficiency, and effectiveness of the reporting system in
14 achieving its goals and to make recommendations to the local
15 governments, the Governor, and the Legislature as to how the
16 reporting system can be improved and how program costs can be
17 reduced. The Auditor General shall determine the scope of such
18 audits.The local government financial reporting system should
19 provide for the timely, accurate, uniform, and cost-effective
20 accumulation of financial and other information that can be
21 used by the members of the Legislature and other appropriate
22 officials to accomplish the following goals:

23 1. Enhance citizen participation in local government;

24 2. Improve the financial condition of local
25 governments;

26 3. Provide essential government services in an
27 efficient and effective manner; and

28 4. Improve decisionmaking on the part of the
29 Legislature, state agencies, and local government officials on
30 matters relating to local government.

31

1 The Auditor General shall perform his or her duties
2 independently but under the general policies established by
3 the Legislative Auditing Committee. This subsection does not
4 limit the Auditor General's discretionary authority to conduct
5 other audits or engagements of governmental entities as
6 authorized in subsection (3).

7 (3) AUTHORITY FOR AUDITS AND OTHER ENGAGEMENTS.--

8 ~~(a)~~ The Auditor General may, pursuant to his or her
9 own authority, or at the direction of the Legislative Auditing
10 Committee, conduct audits or other engagements as determined
11 appropriate by the Auditor General of:

12 (a)1. The accounts and records of any governmental
13 entity created or established by law.

14 (b)2. The information technology programs, activities,
15 functions, or systems of any governmental entity created or
16 established by law.

17 (c)3. The accounts and records of any charter school
18 created or established by law.

19 (d)4. The accounts and records of any direct-support
20 organization or citizen support organization created or
21 established by law. The Auditor General is authorized to
22 require and receive any records from the direct-support
23 organization or citizen support organization, or from its
24 independent auditor.

25 (e)5. The public records associated with any
26 appropriation made by the Legislature ~~General Appropriations~~
27 ~~Act~~ to a nongovernmental agency, corporation, or person. All
28 records of a nongovernmental agency, corporation, or person
29 with respect to the receipt and expenditure of such an
30 appropriation shall be public records and shall be treated in
31 the same manner as other public records are under general law.

1 (f)~~6~~. State financial assistance provided to any
2 nonstate entity as defined by s. 215.97.

3 (g)~~7~~. The Tobacco Settlement Financing Corporation
4 created pursuant to s. 215.56005.

5 ~~8. The Florida Virtual School created pursuant to s.~~
6 ~~1002.37.~~

7 (h)~~9~~. Any purchases of federal surplus lands for use
8 as sites for correctional facilities as described in s.
9 253.037.

10 (i)~~10~~. Enterprise Florida, Inc., including any of its
11 boards, advisory committees, or similar groups created by
12 Enterprise Florida, Inc., and programs. The audit report may
13 not reveal the identity of any person who has anonymously made
14 a donation to Enterprise Florida, Inc., pursuant to this
15 subparagraph. The identity of a donor or prospective donor to
16 Enterprise Florida, Inc., who desires to remain anonymous and
17 all information identifying such donor or prospective donor
18 are confidential and exempt from the provisions of s.
19 119.07(1) and s. 24(a), Art. I of the State Constitution. Such
20 anonymity shall be maintained in the auditor's report.

21 (j)~~11~~. The Florida Development Finance Corporation or
22 the capital development board or the programs or entities
23 created by the board. The audit or report may not reveal the
24 identity of any person who has anonymously made a donation to
25 the board pursuant to this subparagraph. The identity of a
26 donor or prospective donor to the board who desires to remain
27 anonymous and all information identifying such donor or
28 prospective donor are confidential and exempt from the
29 provisions of s. 119.07(1) and s. 24(a), Art. I of the State
30 Constitution. Such anonymity shall be maintained in the
31 auditor's report.

1 ~~(k)12.~~ The records pertaining to the use of funds from
2 voluntary contributions on a motor vehicle registration
3 application or on a driver's license application authorized
4 pursuant to ss. 320.023 and 322.081.

5 ~~(l)13.~~ The records pertaining to the use of funds from
6 the sale of specialty license plates described in chapter 320.

7 ~~(m)14.~~ The transportation corporations under contract
8 with the Department of Transportation that are acting on
9 behalf of the state to secure and obtain rights-of-way for
10 urgently needed transportation systems and to assist in the
11 planning and design of such systems pursuant to ss.
12 339.401-339.421.

13 ~~(n)15.~~ The acquisitions and divestitures related to
14 the Florida Communities Trust Program created pursuant to
15 chapter 380.

16 ~~(o)16.~~ The Florida Water Pollution Control Financing
17 Corporation created pursuant to s. 403.1837.

18 ~~(p)17.~~ The Florida Partnership for School Readiness
19 created pursuant to s. 411.01.

20 ~~(q)18.~~ The Florida Special Disability Trust Fund
21 Financing Corporation created pursuant to s. 440.49.

22 ~~(r)19.~~ Workforce Florida, Inc., or the programs or
23 entities created by Workforce Florida, Inc., created pursuant
24 to s. 445.004.

25 ~~(s)20.~~ The corporation defined in s. 455.32 that is
26 under contract with the Department of Business and
27 Professional Regulation to provide administrative,
28 investigative, examination, licensing, and prosecutorial
29 support services in accordance with the provisions of s.
30 455.32 and the practice act of the relevant profession.

31

1 ~~(t)21.~~ The Florida Engineers Management Corporation
2 created pursuant to chapter 471.

3 ~~(u)22.~~ The Investment Fraud Restoration Financing
4 Corporation created pursuant to chapter 517.

5 ~~(v)23.~~ The books and records of any permitholder that
6 conducts race meetings or jai alai exhibitions under chapter
7 550.

8 ~~(w)24.~~ The corporation defined in part II of chapter
9 946, known as the Prison Rehabilitative Industries and
10 Diversified Enterprises, Inc., or PRIDE Enterprises.

11 ~~(x)~~ The Florida Virtual School pursuant to s. 1002.37.

12 ~~(b) The Auditor General is also authorized to:~~

13 ~~1. Promote the building of competent and efficient~~
14 ~~accounting and internal audit organizations in the offices~~
15 ~~administered by governmental entities.~~

16 ~~2. Provide consultation services to governmental~~
17 ~~entities on their financial and accounting systems,~~
18 ~~procedures, and related matters.~~

19 (5) PETITION FOR AN AUDIT BY THE AUDITOR GENERAL.--

20 ~~(a)~~ The Legislative Auditing Committee shall direct
21 the Auditor General to make an a financial audit of any
22 municipality whenever petitioned to do so by at least 20
23 percent of the registered electors in the last general
24 election of that municipality pursuant to this subsection. The
25 supervisor of elections of the county in which the
26 municipality is located shall certify whether or not the
27 petition contains the signatures of at least 20 percent of the
28 registered electors of the municipality. After the completion
29 of the audit, the Auditor General shall determine whether the
30 municipality has the fiscal resources necessary to pay the
31 cost of the audit. The municipality shall pay the cost of the

1 audit within 90 days after the Auditor General's determination
2 that the municipality has the available resources. If the
3 municipality fails to pay the cost of the audit, the
4 Department of Revenue shall, upon certification of the Auditor
5 General, withhold from that portion of the distribution
6 pursuant to s. 212.20(6)(d)6. which is distributable to such
7 municipality, a sum sufficient to pay the cost of the audit
8 and shall deposit that sum into the General Revenue Fund of
9 the state.

10 (b) At least one registered elector in the most recent
11 general election must file a letter of intent with the
12 municipal clerk prior to any petition of the electors of that
13 municipality for the purpose of an audit. Each petition must
14 be submitted to the supervisor of elections and contain, at a
15 minimum:

- 16 1. The elector's printed name;
- 17 2. The signature of the elector;
- 18 3. The elector's residence address;
- 19 4. The elector's date of birth; and
- 20 5. The date signed.

21
22 All petitions must be submitted for verification within 1
23 calendar year after the audit petition origination by the
24 municipal electors.

25 (7) AUDITOR GENERAL REPORTING REQUIREMENTS.--

26 (e) The Auditor General shall notify the Governor or
27 the Commissioner of Education, as appropriate,and the
28 Legislative Auditing Committee of any audit report reviewed by
29 the Auditor General pursuant to paragraph (b) which contains a
30 statement that a ~~the~~ local governmental entity or district
31 school board has met one or more of the conditions specified

1 ~~is in a state of financial emergency as provided~~ in s.
2 218.503. If the Auditor General requests a clarification
3 regarding information included in an audit report to determine
4 whether a local governmental entity or district school board
5 has met one or more of the conditions specified in s. 218.503
6 ~~is in a state of financial emergency~~, the requested
7 clarification must be provided within 45 days after the date
8 of the request. If the local governmental entity or district
9 school board does not comply with the Auditor General's
10 request, the Auditor General shall notify the Legislative
11 Auditing Committee. If, after obtaining the requested
12 clarification, the Auditor General determines that the local
13 governmental entity or district school board has met one or
14 more of the conditions specified in s. 218.503 ~~is in a state~~
15 ~~of financial emergency~~, he or she shall notify the Governor or
16 the Commissioner of Education, as appropriate, and the
17 Legislative Auditing Committee.

18 (8) RULES OF THE AUDITOR GENERAL.--The Auditor
19 General, in consultation with the Board of Accountancy, shall
20 adopt rules for the form and conduct of all financial audits
21 performed by independent certified public accountants pursuant
22 to ss. 215.981, 218.39, 1001.453, 1004.28, and 1004.70. The
23 rules for audits of local governmental entities and district
24 school boards must include, but are not limited to,
25 requirements for the reporting of information necessary to
26 carry out the purposes of the Local Governmental Entity and
27 District School Board Government Financial Emergencies Act as
28 stated in s. 218.501.

29 (9) TECHNICAL ADVICE ~~OTHER GUIDANCE~~ PROVIDED BY THE
30 AUDITOR GENERAL.--The Auditor General may provide technical
31 advice to: ~~in consultation with~~

1 (a) The Department of Education in the development of
2 ~~shall develop~~ a compliance supplement for the financial audit
3 of a district school board conducted by an independent
4 certified public accountant.

5 (b) Governmental entities on their financial and
6 accounting systems, procedures, and related matters.

7 (c) Governmental entities on promoting the building of
8 competent and efficient accounting and internal audit
9 organizations in their offices.

10 Section 3. Subsection (10) of section 61.181, Florida
11 Statutes, is amended to read:

12 61.181 Depository for alimony transactions, support,
13 maintenance, and support payments; fees.--

14 (10) Compliance with the requirements of this section
15 shall be included as part of the annual county audit required
16 pursuant to s. 218.39 ~~11.45~~.

17 Section 4. Subsection (3) of section 75.05, Florida
18 Statutes, is amended to read:

19 75.05 Order and service.--

20 ~~(3) In the case of independent special districts as~~
21 ~~defined in s. 218.31(7), a copy of the complaint shall be~~
22 ~~served on the Division of Bond Finance of the State Board of~~
23 ~~Administration.~~ Notwithstanding any other provision of law,
24 whether a general law or special act, validation of bonds to
25 be issued by a special district, other than a community
26 development district established pursuant to chapter 190, as
27 provided in s. 190.016(12), is not mandatory, but is at the
28 option of the issuer. However, the validation of bonds issued
29 by such community development districts shall not be required
30 on refunding issues.

31

1 Section 5. Paragraph (a) of subsection (2) of section
2 112.08, Florida Statutes, is amended to read:

3 112.08 Group insurance for public officers, employees,
4 and certain volunteers; physical examinations.--

5 (2)(a) Notwithstanding any general law or special act
6 to the contrary,every local governmental unit is authorized
7 to provide and pay out of its available funds for all or part
8 of the premium for life, health, accident, hospitalization,
9 legal expense, or annuity insurance, or all or any kinds of
10 such insurance, for the officers and employees of the local
11 governmental unit and for health, accident, hospitalization,
12 and legal expense insurance for the dependents of such
13 officers and employees upon a group insurance plan and, to
14 that end, to enter into contracts with insurance companies or
15 professional administrators to provide such insurance. Before
16 entering any contract for insurance, the local governmental
17 unit shall advertise for competitive bids; and such contract
18 shall be let upon the basis of such bids. If a contracting
19 health insurance provider becomes financially impaired as
20 determined by the Office of Insurance Regulation of the
21 Financial Services Commission or otherwise fails or refuses to
22 provide the contracted-for coverage or coverages, the local
23 government may purchase insurance, enter into risk management
24 programs, or contract with third-party administrators and may
25 make such acquisitions by advertising for competitive bids or
26 by direct negotiations and contract. The local governmental
27 unit may undertake simultaneous negotiations with those
28 companies which have submitted reasonable and timely bids and
29 are found by the local governmental unit to be fully qualified
30 and capable of meeting all servicing requirements. Each local
31 governmental unit may self-insure any plan for health,

1 accident, and hospitalization coverage or enter into a risk
2 management consortium to provide such coverage, subject to
3 approval based on actuarial soundness by the Office of
4 Insurance Regulation; and each shall contract with an
5 insurance company or professional administrator qualified and
6 approved by the office to administer such a plan.

7 Section 6. Subsection (5) of section 112.625, Florida
8 Statutes, is amended to read:

9 112.625 Definitions.--As used in this act:

10 (5) "Governmental entity" means the state, for the
11 Florida Retirement System, and the county, municipality, or
12 special district, or district school board which is the
13 employer of the member of a local retirement system or plan.

14 Section 7. Subsection (4) of section 112.63, Florida
15 Statutes, is amended to read:

16 112.63 Actuarial reports and statements of actuarial
17 impact; review.--

18 (4) Upon receipt, pursuant to subsection (2), of an
19 actuarial report, or upon receipt, pursuant to subsection (3),
20 of a statement of actuarial impact, the Department of
21 Management Services shall acknowledge such receipt, but shall
22 only review and comment on each retirement system's or plan's
23 actuarial valuations at least on a triennial basis. If the
24 department finds that the actuarial valuation is not complete,
25 accurate, or based on reasonable assumptions or otherwise
26 materially fails to satisfy the requirements of this part, if
27 the department requires additional material information
28 necessary to complete its review of the actuarial valuation of
29 a system or plan or material information necessary to satisfy
30 the duties of the department pursuant to s. 112.665(1), or if
31 the department does not receive the actuarial report or

1 statement of actuarial impact, the department shall notify the
2 administrator of the affected retirement system or plan and
3 the affected governmental entity ~~local government~~ and request
4 appropriate adjustment, the additional material information,
5 or the required report or statement. The notification must
6 inform the administrator of the affected retirement system or
7 plan and the affected governmental entity of the consequences
8 for failure to comply with the requirements of this
9 subsection. If, after a reasonable period of time, a
10 satisfactory adjustment is not made or the report, statement,
11 or additional material information is not provided, the
12 department may notify the Department of Revenue and the
13 Department of Financial Services of such noncompliance, in
14 which case the Department of Revenue and the Department of
15 Financial Services shall withhold any funds not pledged for
16 satisfaction of bond debt service which are payable to the
17 affected governmental entity until the adjustment is made or
18 the report, statement, or additional material information is
19 provided to the department. The department shall specify the
20 date such action is to begin, and notification by the
21 department must be received by the Department of Revenue, the
22 Department of Financial Services, and the affected
23 governmental entity 30 days before the date the action begins.

24 (a) Within 21 days after receipt of the notice, the
25 affected governmental entity ~~local government~~ ~~or the~~
26 ~~department~~ may petition for a hearing under the provisions of
27 ss. 120.569 and 120.57 with the Department of Management
28 Services. The Department of Revenue and the Department of
29 Financial Services may not be parties to any such hearing, but
30 may request to intervene if requested by the Department of
31 Management Services or if the Department of Revenue or the

1 Department of Financial Services determines its interests may
2 be adversely affected by the hearing.If the administrative
3 law judge recommends in favor of the department, the
4 department shall perform an actuarial review,~~or~~ prepare the
5 statement of actuarial impact, or collect the requested
6 material information. The cost to the department of performing
7 such actuarial review,~~or~~ preparing ~~the such~~ statement, or
8 collecting the requested material information shall be charged
9 to the affected governmental entity of which the employees are
10 covered by the retirement system or plan. If payment of such
11 costs is not received by the department within 60 days after
12 receipt by the affected governmental entity of the request for
13 payment, the department shall certify to the Department of
14 Revenue and the Department of Financial Services ~~Chief~~
15 ~~Financial Officer~~ the amount due, and the Department of
16 Revenue and the Department of Financial Services ~~Chief~~
17 ~~Financial Officer~~ shall pay such amount to the Department of
18 Management Services from any funds not pledged for
19 satisfaction of bond debt service which are payable to the
20 affected governmental entity of which the employees are
21 covered by the retirement system or plan. If the
22 administrative law judge recommends in favor of the affected
23 governmental entity ~~local retirement system~~ and the department
24 performs an actuarial review, prepares the statement of
25 actuarial impact, or collects the requested material
26 information,the cost to the department of performing the
27 actuarial review, preparing the statement, or collecting the
28 requested material information shall be paid by the Department
29 of Management Services.
30 (b) In the case of an affected special district, the
31 Department of Management Services shall also notify the

1 Department of Community Affairs. Upon receipt of notification,
2 the Department of Community Affairs shall proceed pursuant to
3 the provisions of s. 189.421 with regard to the special
4 district.

5 Section 8. Section 130.04, Florida Statutes, is
6 amended to read:

7 130.04 Sale ~~Notice for bids and disposition of~~
8 ~~bonds.--In case the issuing of bonds shall be authorized by~~
9 ~~the result of such election, the county commissioners shall~~
10 ~~sell the bonds in the manner provided in s. 218.385. cause~~
11 ~~notice to be given by publication in a newspaper published in~~
12 ~~the county, or in some newspaper published in the same~~
13 ~~judicial circuit, if there be none published in the county,~~
14 ~~that they will receive bids for the purchase of county bonds~~
15 ~~at the clerk's office, on a date not less than 10 days nor~~
16 ~~more than 60 days from the first publication of such notice.~~
17 ~~The notice shall specify the amount of bonds offered for sale,~~
18 ~~the rate of interest, and the time when principal and~~
19 ~~installments of interest shall be due and payable. Any and all~~
20 ~~bids shall be rejected if the commissioners shall deem it to~~
21 ~~the best interest for the county so to do, and they may cause~~
22 ~~a new notice to be given in like manner inviting other bids~~
23 ~~for said bonds; provided, that when the rate of interest on~~
24 ~~said bonds exceeds 5 percent per annum, said bonds shall not~~
25 ~~be sold for less than 95 cents on the dollar, but when any~~
26 ~~bonds have heretofore been provided for by election, and the~~
27 ~~rate of interest is 5 percent per annum, or less, that in such~~
28 ~~cases the county commissioners may accept less than 95 cents~~
29 ~~upon the dollar, in the sale of said bonds, or for any portion~~
30 ~~of said bonds not already sold; provided, however, no bonds~~
31 ~~shall be sold for less than 90 cents on the dollar.~~

1 Section 9. Subsection (1) of section 132.02, Florida
2 Statutes, is amended to read:

3 132.02 Taxing units may refund obligations.--

4 (1) Each county, municipality, ~~city, town, special~~
5 ~~road and bridge district, special tax school district, or and~~
6 other taxing district ~~districts~~ in this state, herein
7 sometimes called a unit, may issue, pursuant to a resolution
8 or resolutions of the governing body thereof (meaning thereby
9 the board or body vested with the power of determining the
10 amount of tax levies required for taxing the taxable property
11 of such unit for the purpose of such unit) and either with or
12 without the approval of such bonds at an election, except as
13 may be required by the Constitution of the state, bonds of
14 such unit for the purpose of refunding any or all bonds,
15 coupons, or interest on any such bonds, ~~or coupons or paving~~
16 ~~certificates of indebtedness or interest on any such paving~~
17 ~~certificates of indebtedness~~, now or hereafter outstanding, or
18 any other funded debt, all of which are herein referred to as
19 bonds, whether such unit created such indebtedness or has
20 assumed, or may become liable therefor, ~~and whether~~
21 ~~indebtedness to be refunded has matured or to thereafter~~
22 ~~become matured.~~

23 Section 10. Section 132.09, Florida Statutes, is
24 amended to read:

25 132.09 Sale of bonds ~~Notice of sale; bids and award;~~
26 ~~private sale.~~--When sold, the refunding bonds (except as
27 otherwise expressly provided) shall be sold in the manner
28 provided in s. 218.385 ~~pursuant to the terms of a notice of~~
29 ~~sale which shall be published at least twice. The first~~
30 ~~publication to be not less than 7 days before the date fixed~~
31 ~~for the sale and to be published in a newspaper published in~~

1 ~~the unit, or if no newspaper is published in the unit, then in~~
2 ~~a newspaper published in the county, or if no newspaper is~~
3 ~~published in the county, then in a newspaper published in~~
4 ~~Tallahassee, and in the discretion of the governing body of~~
5 ~~the unit may be published in a financial newspaper in the City~~
6 ~~of New York. Such notices shall state the time and place and~~
7 ~~when and where sealed bids will be received, shall state the~~
8 ~~amount of bonds, their dates, maturities, denominations and~~
9 ~~interest rate or rates (which may be a maximum rate), interest~~
10 ~~payment dates, an outline of the terms, if any, on which they~~
11 ~~are redeemable or become payable before maturity, the amount~~
12 ~~which must be deposited with the bid to secure its performance~~
13 ~~if accepted, and such other pertinent information as the~~
14 ~~governing body of the unit may determine. The notice of sale~~
15 ~~may require the bidders to fix the interest rate or rates that~~
16 ~~the bonds are to bear subject to the terms of the notice and~~
17 ~~the maximum rate permitted by this chapter. The award of the~~
18 ~~bonds shall be made by the governing body of the unit to the~~
19 ~~bidder making the most advantageous bid which shall be~~
20 ~~determined by the governing body in its absolute and~~
21 ~~uncontrolled discretion. The right to reject all bids shall~~
22 ~~be reserved to the governing body of the unit. If no bids are~~
23 ~~received at such public sale, or if all bids are rejected, the~~
24 ~~bonds may be sold without notice at private sale at any time~~
25 ~~within one year thereafter, but such bonds shall not be sold~~
26 ~~at private sale on terms less favorable to the unit than were~~
27 ~~contained in the best bid at the prior public sale.~~

28 Section 11. Paragraph (a) of subsection (2) of section
29 163.05, Florida Statutes, is amended to read:

30 163.05 Small County Technical Assistance Program.--

31

1 (2) Recognizing the findings in subsection (1), the
2 Legislature declares that:

3 (a) The financial difficulties ~~fiscal emergencies~~
4 confronting small counties require an investment that will
5 facilitate efforts to improve the productivity and efficiency
6 of small counties' structures and operating procedures.

7 Section 12. Subsection (2) of section 166.121, Florida
8 Statutes, is amended to read:

9 166.121 Issuance of bonds.--

10 (2) The governing body of a municipality shall
11 determine the terms and manner of sale and distribution or
12 other disposition of any and all bonds it may issue,
13 consistent with the provisions of s. 218.385, and shall have
14 any and all powers necessary or convenient to such
15 disposition.

16 Section 13. Section 166.241, Florida Statutes, is
17 amended to read:

18 166.241 Fiscal years, ~~financial reports,~~
19 ~~appropriations, and budgets,~~ and budget amendments.--

20 ~~(1) Each municipality shall report its finances~~
21 ~~annually as provided by general law.~~

22 (1)~~(2)~~ Each municipality shall make provision for
23 establishing a fiscal year beginning October 1 of each year
24 and ending September 30 of the following year.

25 (2)~~(3)~~ The governing body of each municipality shall
26 adopt a budget each fiscal year. The budget must be adopted by
27 ordinance or resolution unless otherwise specified in the
28 respective municipality's charter. The amount available from
29 taxation and other sources, including amounts carried over
30 from prior fiscal years, must equal the total appropriations
31 for expenditures and reserves. The budget must regulate

1 expenditures of the municipality, and it is unlawful for any
2 officer of a municipal government to expend or contract for
3 expenditures in any fiscal year except in pursuance of
4 budgeted appropriations.

5 (3) The governing body of each municipality at any
6 time within a fiscal year or within up to 60 days following
7 the end of the fiscal year may amend a budget for that year as
8 follows:

9 (a) Appropriations for expenditures within a fund may
10 be decreased or increased by motion recorded in the minutes,
11 provided that the total of the appropriations of the fund is
12 not changed.

13 (b) The governing body may establish procedures by
14 which the designated budget officer may authorize certain
15 budget amendments within a department, provided that the total
16 of the appropriations of the department is not changed.

17 (c) If a budget amendment is required for a purpose
18 not specifically authorized in paragraph (a) or paragraph (b),
19 the budget amendment must be adopted in the same manner as the
20 original budget unless otherwise specified in the charter of
21 the respective municipality.

22 Section 14. Section 189.4044, Florida Statutes, is
23 amended to read:

24 189.4044 Special procedures for inactive districts.--

25 (1) The department shall declare inactive any special
26 district in this state by documenting that ~~filing a report~~
27 ~~with the Speaker of the House of Representatives and the~~
28 ~~President of the Senate which shows that such special district~~
29 ~~is no longer active. The inactive status of the special~~
30 ~~district must be based upon a finding:~~

31

1 (a) ~~That~~ The special district meets one of the
2 following criteria:

3 1. The registered agent of the district, the chair of
4 the governing body of the district, or the governing body of
5 the appropriate local general-purpose government notifies the
6 department in writing that the district has taken no action
7 for 2 or more calendar years;

8 2. Following an inquiry from the department, the
9 registered agent of the district, the chair of the governing
10 body of the district, or the governing body of the appropriate
11 local general-purpose government notifies the department in
12 writing that the district has not had a governing board or a
13 sufficient number of governing board members to constitute a
14 quorum for 2 or more years or the registered agent of the
15 district, the chair of the governing body of the district, or
16 the governing body of the appropriate local general-purpose
17 government fails to respond to the department's inquiry within
18 21 days; or ~~18 or more months;~~

19 3. The department determines, pursuant to s. 189.421,
20 that the district has failed to file or ~~make a good faith~~
21 effort to file any of the reports listed in s. 189.419. ~~7 or~~

22 4. ~~The district has failed, for 2 consecutive fiscal~~
23 ~~years, to pay fees assessed by the Special District~~
24 ~~Information Program pursuant to this chapter.~~

25 (b) The department, special district, or local
26 general-purpose government published ~~That~~ a notice of the
27 proposed declaration of inactive status ~~has been published~~
28 once a week for 2 weeks in a newspaper of general circulation
29 in within the county or municipality in which ~~wherein~~ the
30 territory of the special district is located and sent a copy
31 of such notice by certified mail to the registered agent or

1 chair of the board, if any. Such notice must include, ~~stating~~
2 the name of the ~~said~~ special district, the law under which it
3 was organized and operating, a general description of the
4 territory included in the ~~said~~ special district, and a
5 statement ~~stating~~ that any objections must be filed pursuant
6 to chapter 120 within 21 days after the publication date ~~to~~
7 the proposed declaration or to any claims against the assets
8 of ~~said~~ special district shall be filed not later than 60 days
9 following the date of last publication with the department;
10 and

11 (c) Twenty-one ~~That 60~~ days have elapsed from the last
12 publication date of the notice of proposed declaration of
13 inactive status and no administrative appeals were ~~sustained~~
14 ~~objections have been~~ filed.

15 (2) If any special district is declared inactive
16 pursuant to this section, the property or assets of the
17 special district are subject to legal process for payment of
18 any debts of the district. After the payment of all the debts
19 of said inactive special district, the remainder of its
20 property or assets shall escheat to the county or municipality
21 wherein located. If, however, it shall be necessary, in order
22 to pay any such debt, to levy any tax or taxes on the property
23 in the territory or limits of the inactive special district,
24 the same may be assessed and levied by order of the local
25 general-purpose government wherein the same is situated and
26 shall be assessed by the county property appraiser and
27 collected by the county tax collector.

28 (3) In the case of a district created by special act
29 of the Legislature, the department shall send a notice of
30 declaration of inactive status to ~~notify~~ the Speaker of the
31 House of Representatives and the President of the Senate. The

1 notice of declaration of inactive status shall reference of
2 each known special act creating or amending the charter of any
3 special district declared to be inactive under this
4 section. The declaration of inactive status shall be
5 sufficient notice as required by s. 10, Art. III of the State
6 Constitution to authorize the Legislature to repeal any
7 special laws so reported. In the case of a district created by
8 one or more local general-purpose governments, the department
9 shall send a notice of declaration of inactive status to the
10 chair of the governing body of each local general-purpose
11 government that created the district. In the case of a
12 district created by interlocal agreement, the department shall
13 send a notice of declaration of inactive status to the chair
14 of the governing body of each local general-purpose government
15 which entered into the interlocal agreement.

16 (4) The entity that created a special district
17 declared inactive under this section must dissolve the special
18 district ~~be dissolved by repealing~~ ~~repeal~~ of its enabling laws
19 or by other appropriate means.

20 Section 15. Subsection (1) of section 189.412, Florida
21 Statutes, is amended, and subsection (8) is added to that
22 section, to read:

23 189.412 Special District Information Program; duties
24 and responsibilities.--The Special District Information
25 Program of the Department of Community Affairs is created and
26 has the following special duties:

27 (1) The collection and maintenance of special district
28 noncompliance ~~compliance~~ status reports from the Department of
29 Management Services ~~Auditor General~~, the Department of
30 Financial Services, the Division of Bond Finance of the State
31 Board of Administration, and the Auditor General ~~the~~

1 ~~Department of Management Services, the Department of Revenue,~~
2 ~~and the Commission on Ethics for the reporting required in ss.~~
3 ~~112.3144, 112.3145, 112.3148, 112.3149, 112.63, 200.068,~~
4 ~~218.32, 218.38, and 218.39, and 280.17 and chapter 121 and~~
5 ~~from state agencies administering programs that distribute~~
6 ~~money to special districts. The noncompliance special district~~
7 ~~compliance status reports must list those consist of a list of~~
8 ~~special districts used in that state agency and a list of~~
9 ~~which special districts that did not comply with the statutory~~
10 ~~reporting requirements statutorily required by that agency.~~

11 (8) Providing assistance to local general-purpose
12 governments and certain state agencies in collecting
13 delinquent reports or information, helping special districts
14 comply with reporting requirements, declaring special
15 districts inactive when appropriate, and, when directed by the
16 Legislative Auditing Committee, initiating enforcement
17 provisions as provided in ss. 189.4044, 189.419, and 189.421.

18 Section 16. Subsections (1) and (2) of section
19 189.418, Florida Statutes, are amended, subsection (5) is
20 renumbered as subsection (6), present subsection (6) is
21 renumbered as subsection (7) and amended, and a new subsection
22 (5) is added to that section, to read:

23 189.418 Reports; budgets; audits.--

24 (1) When a new special district is created, the
25 district must forward to the department, within 30 days after
26 the adoption of the special act, rule, ordinance, resolution,
27 or other document that provides for the creation of the
28 district, a copy of the document and a written statement that
29 includes a reference to the status of the special district as
30 dependent or independent and the basis for such
31 classification. In addition to the document or documents that

1 create the district, the district must also submit a map of
2 the district, showing any municipal boundaries that cross the
3 district's boundaries, and any county lines if the district is
4 located in more than one county. The department must notify
5 the local government or other entity and the district within
6 30 days after receipt of the document or documents that create
7 the district as to whether the district has been determined to
8 be dependent or independent.

9 (2) Any amendment, modification, or update of the
10 document by which the district was created, including changes
11 in boundaries, must be filed with the department within 30
12 days after adoption. The department may initiate proceedings
13 against special districts as provided in s. ss. 189.421 and
14 ~~189.422~~ for failure to file the information required by this
15 subsection.

16 (5) The governing body of each special district at any
17 time within a fiscal year or within up to 60 days following
18 the end of the fiscal year may amend a budget for that
19 year. The budget amendment must be adopted by resolution.

20 (7)(6) All reports or information required to be filed
21 with a local governing authority under ss. 189.415, 189.416,
22 and 189.417, 218.32, and 218.39 and this section shall:

23 (a) When the local governing authority is a county, be
24 filed with the clerk of the board of county commissioners.

25 (b) When the district is a multicounty district, be
26 filed with the clerk of the county commission in each county.

27 (c) When the local governing authority is a
28 municipality, be filed at the place designated by the
29 municipal governing body.

30 Section 17. Section 189.419, Florida Statutes, is
31 amended to read:

1 189.419 Effect of failure to file certain reports or
2 information.--

3 (1) If a special district fails to file the reports or
4 information required under s. 189.415, s. 189.416, or s.
5 ~~189.417, s. 189.418, s. 218.32, or s. 218.39~~ and a description
6 ~~of all new bonds as provided in s. 218.38(1)~~with the local
7 governing authority, the person authorized to receive and read
8 the reports or information shall notify the district's
9 registered agent and the appropriate local governing authority
10 or authorities. If requested by the district ~~At any time~~, the
11 governing authority shall ~~may~~ grant an extension of time of up
12 to 30 days for filing the required reports or information,
13 ~~except that an extension may not exceed 30 days.~~

14 (2) If at any time the local governing authority or
15 authorities or the board of county commissioners determines
16 that there has been an unjustified failure to file the reports
17 or information described in subsection (1), it may notify
18 ~~petition~~ the department and the department may proceed
19 pursuant to initiate proceedings against the special district
20 ~~in the manner provided in s. 189.421.~~

21 (3) If a special district fails to file the reports or
22 information required under s. 112.63,s. 218.32, s. 218.38, or
23 s. 218.39 with the appropriate state agency, the agency shall
24 notify the department, and the department shall proceed
25 pursuant to s. 189.421 ~~may initiate proceedings against the~~
26 ~~special district in the manner provided in s. 189.421 or~~
27 ~~assess fines of not more than \$25, with an aggregate total not~~
28 ~~to exceed \$50, when formal inquiries do not resolve the~~
29 ~~noncompliance.~~

30 Section 18. Section 189.421, Florida Statutes, is
31 amended to read:

1 (Substantial rewording of section. See
2 s. 189.421, F.S., for present text.)
3 189.421 Failure of district to disclose financial
4 reports.--
5 (1) When notified pursuant to s. 189.419, the
6 department shall attempt to assist a special district to
7 comply with its financial reporting requirements by sending a
8 certified letter to the special district, and a copy of the
9 letter to the chair of the governing body of the local
10 general-purpose government, which includes the following: a
11 description of the required report, including statutory
12 submission deadlines, a contact telephone number for technical
13 assistance to help the special district comply, a 60-day
14 extension of time for filing the required report with the
15 appropriate entity, the address where the report must be
16 filed, and an explanation of the penalties for
17 noncompliance. The department may grant an additional 30-day
18 extension of time if requested to do so in writing by the
19 special district. The department shall notify the appropriate
20 entity of the new extension of time. In the case of a special
21 district that did not timely file the reports or information
22 required by s. 218.38, the department shall send a certified
23 technical assistance letter to the special district which
24 summarizes the requirements and encourages the special
25 district to take steps to prevent the noncompliance from
26 reoccurring.
27 (2) Failure of a special district to comply with the
28 financial reporting requirements after the procedures of
29 subsection (1) are exhausted shall be deemed final action of
30 the special district. The financial reporting requirements
31 are declared to be essential requirements of law. Remedy for

1 noncompliance shall be by writ of certiorari as set forth in
2 subsection (3).

3 (3) Pursuant to s. 11.40(5)(b), the Legislative
4 Auditing Committee shall notify the department of those
5 districts that failed to file the required report. Within 30
6 days after receiving this notice or within 30 days after the
7 extension date provided in subsection (1), whichever occurs
8 later, the department shall proceed as follows:
9 notwithstanding the provisions of chapter 120, the department
10 shall file a petition for writ of certiorari with the circuit
11 court. Venue for all actions pursuant to this subsection shall
12 be in Leon County. The court shall award the prevailing party
13 attorney's fees and costs in all cases filed pursuant to this
14 section unless affirmatively waived by all parties. A writ of
15 certiorari shall be issued unless a respondent establishes
16 that the notification of the Legislative Auditing Committee
17 was issued as a result of material error. Proceedings under
18 this subsection shall otherwise be governed by the Rules of
19 Appellate Procedure.

20 Section 19. Subsection (5) of section 189.428, Florida
21 Statutes, is amended to read:

22 189.428 Special districts; oversight review process.--

23 (5) Those conducting the oversight review process
24 shall, at a minimum, consider the listed criteria for
25 evaluating the special district, but may also consider any
26 additional factors relating to the district and its
27 performance. If any of the listed criteria does ~~do~~ not apply
28 to the special district being reviewed, it ~~they~~ need not be
29 considered. The criteria to be considered by the reviewer
30 include:

31

1 (a) The degree to which the service or services
2 offered by the special district are essential or contribute to
3 the well-being of the community.

4 (b) The extent of continuing need for the service or
5 services currently provided by the special district.

6 (c) The extent of municipal annexation or
7 incorporation activity occurring or likely to occur within the
8 boundaries of the special district and its impact on the
9 delivery of services by the special district.

10 (d) Whether there is a less costly alternative method
11 of delivering the service or services that would adequately
12 provide the district residents with the services provided by
13 the district.

14 (e) Whether transfer of the responsibility for
15 delivery of the service or services to an entity other than
16 the special district being reviewed could be accomplished
17 without jeopardizing the district's existing contracts, bonds,
18 or outstanding indebtedness.

19 (f) Whether the Auditor General has notified the
20 Legislative Auditing Committee that the special district's
21 audit report, reviewed pursuant to s. 11.45(7), indicates that
22 the district has met any of the conditions specified in s.
23 218.503(1) or that a deteriorating financial condition exists
24 that may cause a condition described in s. 218.503(1) to occur
25 if actions are not taken to address such condition.

26 ~~(g) Whether the Auditor General has determined that~~
27 ~~the special district is in a state of financial emergency as~~
28 ~~provided in s. 218.503(1), and has notified the Governor and~~
29 ~~the Legislative Auditing Committee.~~

30 ~~(g)(h)~~ Whether the district is inactive according to
31 the official list of special districts, and whether the

1 district is meeting and discharging its responsibilities as
2 required by its charter, as well as projected increases or
3 decreases in district activity.

4 ~~(h)(i)~~ Whether the special district has failed to
5 comply with any of the reporting requirements in this chapter,
6 including preparation of the public facilities report.

7 ~~(i)(j)~~ Whether the special district has designated a
8 registered office and agent as required by s. 189.416, and has
9 complied with all open public records and meeting
10 requirements.

11 Section 20. Paragraph (a) of subsection (1) of section
12 189.439, Florida Statutes, is amended to read:

13 189.439 Bonds.--

14 (1) AUTHORIZATION AND FORM OF BONDS.--

15 (a) The authority may issue and sell bonds for any
16 purpose for which the authority has the power to expend money,
17 including, without limitation, the power to obtain working
18 capital loans to finance the costs of any project and to
19 refund any bonds or other indebtedness at the time outstanding
20 at or before maturity. Bonds may be sold in the manner
21 provided in s. 218.385 and ~~by public or negotiated sale after~~
22 ~~advertisement, if any, as the board considers~~
23 ~~advisable.~~ Bonds may be authorized by resolution of the
24 board.

25 Section 21. Subsections (1) and (2) of section
26 191.005, Florida Statutes, are amended to read:

27 191.005 District boards of commissioners; membership,
28 officers, meetings.--

29 (1)(a) With the exception of districts whose governing
30 boards are appointed collectively by the Governor, the county
31 commission, and any cooperating city within the county, the

1 business affairs of each district shall be conducted and
2 administered by a five-member board. All three-member boards
3 existing on the effective date of this act shall be converted
4 to five-member boards, except those permitted to continue as a
5 three-member board by special act adopted in 1997 or
6 thereafter. The board shall be elected in nonpartisan
7 elections by the electors of the district. Except as provided
8 in this act, such elections shall be held at the time and in
9 the manner prescribed by law for holding general elections in
10 accordance with s. 189.405(2)(a) and (3), and each member
11 shall be elected for a term of 4 years and serve until the
12 member's successor assumes office. Candidates for the board of
13 a district shall qualify with the county supervisor of
14 elections in whose jurisdiction the district is located. If
15 the district is a multicounty district, candidates shall
16 qualify with the Department of State. All candidates may
17 qualify by paying a filing fee of \$25 or by obtaining the
18 signatures of at least 25 registered electors of the district
19 on petition forms provided by the supervisor of elections
20 which petitions shall be submitted and checked in the same
21 manner as petitions filed by nonpartisan judicial candidates
22 pursuant to s. 105.035. Notwithstanding s. 106.021, a
23 candidate who does not collect contributions and whose only
24 expense is the filing fee is not required to appoint a
25 campaign treasurer or designate a primary campaign depository.

26 (b)1. At the next general election following the
27 effective date of this act, or on or after the effective date
28 of a special act or general act of local application creating
29 a new district, the members of the board shall be elected by
30 the electors of the district in the manner provided in this
31 section. The office of each member of the board is designated

1 as being a seat on the board, distinguished from each of the
2 other seats by a numeral: 1, 2, 3, 4, or 5. The numerical
3 seat designation does not designate a geographical subdistrict
4 unless such subdistrict exists on the effective date of this
5 act, in which case the candidates must reside in the
6 subdistrict, and only electors of the subdistrict may vote in
7 the election for the member from that subdistrict. Each
8 candidate for a seat on the board shall designate, at the time
9 the candidate qualifies, the seat on the board for which the
10 candidate is qualifying. The name of each candidate who
11 qualifies for election to a seat on the board shall be
12 included on the ballot in a way that clearly indicates the
13 seat for which the candidate is a candidate. The candidate
14 for each seat who receives the most votes cast for a candidate
15 for the seat shall be elected to the board.

16 2. If, on the effective date of this act, a district
17 presently in existence elects members of its board, the next
18 election shall be conducted in accordance with this section,
19 but this section does not require the early expiration of any
20 member's term of office by more than 60 days.

21 3. If, on the effective date of this act, a district
22 does not elect the members of its board, the entire board
23 shall be elected in accordance with this section. However, in
24 the first election following the effective date of this act,
25 seats 1, 3, and 5 shall be designated for 4-year terms and
26 seats 2 and 4 shall be designated for 2-year terms.

27 4. If, on the effective date of this act, the district
28 has an elected three-member board, one of the two seats added
29 by this act shall, for the first election following the
30 effective date of this act, be designated for a 4-year term
31 and the other for a 2-year term, unless the terms of the three

1 existing seats all expire within 6 months of the first
2 election following the effective date of this act, in which
3 case seats 1, 3, and 5 shall be designated for 4-year terms
4 and seats 2 and 4 shall be designated for 2-year terms.

5 5. If the district has an elected three-member board
6 designated to remain three members by special act adopted in
7 1997 or thereafter, the terms of the board members shall be
8 staggered. In the first election following the effective date
9 of this act, seats 1 and 3 shall be designated for 4-year
10 terms, and seat 2 for a 2-year term.

11 (c) The board of any district may request the local
12 legislative delegation that represents the area within the
13 district to create by special law geographical subdistricts
14 for board seats. Any board of five members or larger elected
15 on a subdistrict basis as of the effective date of this act
16 shall continue to elect board members from such previously
17 designated subdistricts, and this act shall not require the
18 elimination of board seats from such boards.

19 (2) Each member of the board must be a qualified
20 elector at the time he or she qualifies and continually
21 throughout his or her term. Any board members who ceases to be
22 a qualified elector is automatically removed pursuant to this
23 act.

24 Section 22. Section 218.075, Florida Statutes, is
25 amended to read:

26 218.075 Reduction or waiver of permit processing
27 fees.--Notwithstanding any other provision of law, the
28 Department of Environmental Protection and the water
29 management districts shall reduce or waive permit processing
30 fees for counties with a population of 50,000 or less on April
31 1, 1994, until such counties exceed a population of 75,000 and

1 municipalities with a population of 25,000 or less, or any
2 county or municipality not included within a metropolitan
3 statistical area. Fee reductions or waivers shall be approved
4 on the basis of fiscal hardship or environmental need for a
5 particular project or activity. The governing body must
6 certify that the cost of the permit processing fee is a fiscal
7 hardship due to one of the following factors:

8 (1) Per capita taxable value is less than the
9 statewide average for the current fiscal year;

10 (2) Percentage of assessed property value that is
11 exempt from ad valorem taxation is higher than the statewide
12 average for the current fiscal year;

13 (3) Any condition specified in s. 218.503(1) which
14 results in the county or municipality being in s. 218.503,
15 ~~that determines~~ a state of financial emergency;

16 (4) Ad valorem operating millage rate for the current
17 fiscal year is greater than 8 mills; or

18 (5) A financial condition that is documented in annual
19 financial statements at the end of the current fiscal year and
20 indicates an inability to pay the permit processing fee during
21 that fiscal year.

22
23 The permit applicant must be the governing body of a county or
24 municipality or a third party under contract with a county or
25 municipality and the project for which the fee reduction or
26 waiver is sought must serve a public purpose. If a permit
27 processing fee is reduced, the total fee shall not exceed
28 \$100.

29 Section 23. Subsection (3) is added to section 218.32,
30 Florida Statutes, to read:

31

1 218.32 Annual financial reports; local governmental
2 entities.--

3 (3) The department shall notify the President of the
4 Senate and the Speaker of the House of Representatives of any
5 municipality that has not reported any financial activity for
6 the last 4 fiscal years. Such notice must be sufficient to
7 initiate dissolution procedures as described in s.
8 165.051(1)(a). Any special law authorizing the incorporation
9 or creation of the municipality must be included within the
10 notification.

11 Section 24. Section 218.321, Florida Statutes, is
12 repealed.

13 Section 25. Subsection (3) of section 218.39, Florida
14 Statutes, is amended to read:

15 218.39 Annual financial audit reports.--

16 (3)(a) A dependent special district may make provision
17 for an annual financial audit by being included within the
18 audit of another local governmental entity upon which it is
19 dependent. An independent special district may not make
20 provision for an annual financial audit by being included
21 within the audit of another local governmental entity.

22 (b) A special district that is a component unit, as
23 defined by generally accepted accounting principles, of a
24 local government entity shall provide the local governmental
25 entity, within a reasonable time period as established by the
26 local governmental entity, with financial information
27 necessary to comply with this section. The failure of a
28 component unit to provide this financial information must be
29 noted in the annual financial audit report of the local
30 governmental entity.

31

1 Section 26. Subsection (3) of section 218.36, Florida
2 Statutes, is amended to read:

3 218.36 County officers; record and report of fees and
4 disposition of same.--

5 (3) The board of county commissioners may ~~shall, on~~
6 ~~the 32nd day following the close of the fiscal year,~~ notify
7 the Governor of the failure of any county officer to comply
8 with the provisions of this section. Such notification shall
9 specify the name of the officer and the office held by him or
10 her at the time of such failure and shall subject said officer
11 to suspension from office at the Governor's discretion.

12 Section 27. Section 218.369, Florida Statutes, is
13 amended to read:

14 218.369 Definitions applicable to ss.
15 218.37-218.386.--As used in this section and in ss. 218.37,
16 218.38, 218.385, and 218.386, the term "unit of local
17 government," except where exception is made, means a county,
18 municipality, special district, district school board, local
19 agency, authority, or consolidated city-county government or
20 any other local governmental body or public body corporate and
21 politic authorized or created by general or special law and
22 granted the power to issue general obligation or revenue
23 bonds; and the words "general obligation or revenue bonds"
24 shall be interpreted to include within their scope general
25 obligation bonds, revenue bonds, special assessment bonds,
26 limited revenue bonds, special obligation bonds, debentures,
27 and other similar instruments, but not bond anticipation
28 notes.

29 Section 28. Part V of chapter 218, Florida Statutes,
30 entitled "Financial Emergencies" is renamed "Local
31

1 Governmental Entity and District School Board Financial
2 Emergencies."

3 Section 29. Section 218.50, Florida Statutes, is
4 amended to read:

5 218.50 Short title.--Sections 218.50-218.504 may be
6 cited ~~shall be known~~ as the "Local Governmental Entity and
7 District School Board ~~Government~~ Financial Emergencies Act."

8 Section 30. Section 218.501, Florida Statutes, is
9 amended to read:

10 218.501 Purposes.--The purposes of ss. 218.50-218.504
11 are:

12 (1) To promote ~~preserve and protect~~ the fiscal
13 responsibility ~~solveny~~ of local governmental entities and
14 district school boards.

15 (2) To assist local governmental entities and district
16 school boards in providing essential services without
17 interruption and in meeting their financial obligations.

18 (3) To assist local governmental entities and district
19 school boards through the improvement of local financial
20 management procedures.

21 Section 31. Section 218.502, Florida Statutes, is
22 amended to read:

23 218.502 Definition.--As used in ss. 218.50-218.504,
24 the term "local governmental entity" means a county,
25 municipality, or special district, ~~or district school board~~.

26 Section 32. Section 218.503, Florida Statutes, is
27 amended to read:

28 218.503 Determination of financial emergency.--

29 (1) ~~A~~ Local governmental entities and district school
30 boards shall be subject to review and oversight by the
31 Governor or the Commissioner of Education ~~entity is in a state~~

1 ~~of financial emergency~~ when any one of the following
2 conditions occurs:

3 (a) Failure within the same fiscal year in which due
4 to pay short-term loans ~~from banks~~ or failure to make bond
5 debt service or other long-term debt payments when due, as a
6 result of a lack of funds.

7 (b) Failure to pay uncontested claims from creditors
8 within 90 days after the claim is presented, as a result of a
9 lack of funds.

10 (c)~~(b)~~ Failure to transfer at the appropriate time,
11 due to lack of funds:

- 12 1. Taxes withheld on the income of employees; or
13 2. Employer and employee contributions for:
14 a. Federal social security; or
15 b. Any pension, retirement, or benefit plan of an
16 employee.

17 (d)~~(c)~~ Failure for one pay period to pay, due to lack
18 of funds:

- 19 1. Wages and salaries owed to employees; or
20 2. Retirement benefits owed to former employees.

21 (e)~~(d)~~ An unreserved or total fund balance or retained
22 earnings deficit, or unrestricted or total net assets deficit,
23 as reported on the balance sheet or statement of net assets on
24 the general purpose or basic financial statements, for which
25 sufficient resources of the local governmental entity, as
26 reported on the balance sheet or statement of net assets on
27 the general purpose or basic financial statements, are not
28 available to cover the deficit for 2 successive years.
29 Resources available to cover reported deficits include net
30 assets that are not otherwise restricted by federal, state, or
31 local laws, bond covenants, contractual agreements, or other

1 legal constraints. Fixed or capital assets, the disposal of
2 which would impair the ability of a local governmental entity
3 to carry out its functions, are not considered resources
4 available to cover reported deficits.

5 ~~(e) Noncompliance of the local government retirement~~
6 ~~system with actuarial conditions provided by law.~~

7 (2) A local governmental entity shall notify the
8 Governor and the Legislative Auditing Committee, and a
9 district school board shall notify the Commissioner of
10 Education and the Legislative Auditing Committee, when one or
11 more of the conditions specified in subsection (1) have
12 occurred or will occur if action is not taken to assist the
13 local governmental entity or district school board. In
14 addition, any state agency must, within 30 days after a
15 determination that one or more of the conditions specified in
16 subsection (1) have occurred or will occur if action is not
17 taken to assist the local governmental entity or district
18 school board ~~the identification of the financial emergency,~~
19 notify the Governor or the Commissioner of Education, as
20 appropriate, and the Legislative Auditing Committee ~~when one~~
21 ~~or more of the conditions specified in subsection (1) have~~
22 ~~occurred or will occur if action is not taken to assist a~~
23 ~~local governmental entity.~~

24 (3) Upon notification that one or more of the
25 conditions in subsection (1) exist, the Governor or his or her
26 designee shall contact the local governmental entity or the
27 Commissioner of Education or his or her designee shall contact
28 the district school board to determine what actions have been
29 taken by the local governmental entity or the district school
30 board to resolve the condition ~~financial emergency.~~ The
31 Governor or the Commissioner of Education, as appropriate,

1 shall determine whether the local governmental entity or the
2 district school board needs state assistance to resolve the
3 condition. If state assistance is needed, the local
4 governmental entity or district school board is considered to
5 be in a state of financial emergency. The Governor or the
6 Commissioner of Education, as appropriate, has the authority
7 to implement measures as set forth in ss. 218.50-218.504 to
8 assist the local governmental entity or district school board
9 in resolving ~~resolve~~ the financial emergency. Such measures
10 may include, but are not limited to:

11 (a) Requiring approval of the local governmental
12 entity's budget by the Governor or approval of the district
13 school board's budget by the Commissioner of Education.

14 (b) Authorizing a state loan to a ~~the~~ local
15 governmental entity and providing for repayment of same.

16 (c) Prohibiting a local governmental entity or
17 district school board from issuing bonds, notes, certificates
18 of indebtedness, or any other form of debt until such time as
19 it is no longer subject to this section.

20 (d) Making such inspections and reviews of records,
21 information, reports, and assets of the local governmental
22 entity or district school board. The appropriate local
23 officials shall cooperate in such, ~~in which~~ inspections and
24 reviews ~~the appropriate local officials shall cooperate.~~

25 (e) Consulting with ~~the~~ officials and auditors of the
26 local governmental entity or the district school board and the
27 appropriate state officials ~~agency~~ regarding any steps
28 necessary to bring the books of account, accounting systems,
29 financial procedures, and reports into compliance with state
30 requirements.

31

1 (f) Providing technical assistance to the local
2 governmental entity or the district school board.

3 (g)1. Establishing a financial emergency ~~emergencies~~
4 board to oversee the activities of the local governmental
5 entity or the district school board. If a financial emergency
6 ~~The board, if is~~ established for a local governmental entity,
7 ~~shall be appointed by the Governor~~ shall appoint board members
8 and select a chair. If a financial emergency board is
9 established for a district school board, the State Board of
10 Education shall appoint board members and select a chair. ~~The~~
11 ~~Governor shall select a chair and such other officers as are~~
12 ~~necessary.~~ The financial emergency board shall adopt such
13 rules as are necessary for conducting board business. The
14 board may:

15 a. Make such reviews of records, reports, and assets
16 of the local governmental entity or the district school board
17 as are needed.

18 b. Consult with ~~the~~ officials and auditors of the
19 local governmental entity or the district school board and the
20 appropriate state officials regarding any steps necessary to
21 bring the books of account, accounting systems, financial
22 procedures, and reports of the local governmental entity or
23 the district school board into compliance with state
24 requirements.

25 c. Review the operations, management, efficiency,
26 productivity, and financing of functions and operations of the
27 local governmental entity or the district school board.

28 2. The recommendations and reports made by the
29 financial emergency board must be submitted to the Governor
30 for local governmental entities or to the Commissioner of
31

1 Education and the State Board of Education for district school
2 boards for appropriate action.

3 (h) Requiring and approving a plan, to be prepared by
4 officials of the appropriate state agency in conjunction with
5 the local governmental entity or the district school board in
6 consultation with the appropriate state officials, prescribing
7 actions that will cause the local governmental entity or
8 district school board to no longer be subject to this
9 section. The plan must include, but need not be limited to:

10 1. Provision for payment in full of obligations
11 outlined in subsection (1), designated as priority items, that
12 are currently all payments due or will to come due on debt
13 obligations, pension payments, and all payments and charges
14 imposed or mandated by federal or state law and for all
15 judgments and past due accounts, as priority items of
16 expenditures.

17 2. Establishment of ~~a basis of~~ priority budgeting or
18 zero-based budgeting in order, ~~so as~~ to eliminate ~~low-priority~~
19 items that are not affordable.

20 3. The prohibition of a level of operations which can
21 be sustained only with nonrecurring revenues.

22 (4) A ~~During the financial emergency period~~, the local
23 governmental entity or district school board may not seek
24 application of laws under the bankruptcy provisions of the
25 United States Constitution except with the prior approval of
26 the Governor for local governmental entities or the
27 Commissioner of Education for district school boards.

28 (5)(a) The governing authority of any municipality
29 having a resident population of 300,000 or more on or after
30 April 1, 1999, which has been declared in a state of financial
31 emergency pursuant to this section may impose a discretionary

1 per-vehicle surcharge of up to 20 percent on the gross
2 revenues of the sale, lease, or rental of space at parking
3 facilities within the municipality which are open for use to
4 the general public.

5 (b) A municipal governing authority that imposes the
6 surcharge authorized by this subsection may use the proceeds
7 of such surcharge for the following purposes only:

8 1. No less than 60 percent and no more than 80 percent
9 of the surcharge proceeds shall be used by the governing
10 authority to reduce its ad valorem tax millage rate or to
11 reduce or eliminate non-ad valorem assessments.

12 2. A portion of the balance of the surcharge proceeds
13 shall be used by the governing authority to increase its
14 budget reserves; however, the governing authority shall not
15 reduce the amount it allocates for budget reserves from other
16 sources below the amount allocated for reserves in the fiscal
17 year prior to the year in which the surcharge is initially
18 imposed. When a 15-percent budget reserve is achieved, based
19 on the average gross revenue for the most recent 3 prior
20 fiscal years, the remaining proceeds from this subparagraph
21 shall be used for the payment of annual debt service related
22 to outstanding obligations backed or secured by a covenant to
23 budget and appropriate from non-ad valorem revenues.

24 (c) This subsection expires June 30, 2006.

25 Section 33. Section 218.504, Florida Statutes, is
26 amended to read:

27 218.504 Cessation of state action.--The Governor or
28 the Commissioner of Education, as appropriate, has the
29 authority to terminate all state actions pursuant to ss.
30 218.50-218.504. Cessation of state action must not occur
31

1 until the Governor or the Commissioner of Education, as
2 appropriate, has determined that:

3 (1) The local governmental entity or district school
4 board:

5 (a) Has established and is operating an effective
6 financial accounting and reporting system.

7 (b) Has resolved ~~corrected or eliminated~~ the ~~fiscal~~
8 ~~emergency~~ conditions outlined in s. 218.503(1).

9 (2) None of the ~~No new fiscal emergency~~ conditions
10 outlined in s. 218.503(1) exists ~~exist~~.

11 Section 34. Chapter 131, Florida Statutes, consisting
12 of sections 131.01, 131.02, 131.03, 131.04, 131.05, and
13 131.06, Florida Statutes, is repealed.

14 Section 35. Section 132.10, Florida Statutes, is
15 repealed.

16 Section 36. Section 165.052, Florida Statutes, is
17 repealed.

18 Section 37. Section 189.409, Florida Statutes, is
19 repealed.

20 Section 38. Section 189.422, Florida Statutes, is
21 repealed.

22 Section 39. Section 200.0684, Florida Statutes, is
23 repealed.

24 Section 40. Paragraph (h) of subsection (1) of section
25 218.37, Florida Statutes, is repealed.

26 Section 41. Section 215.195, Florida Statutes, is
27 amended to read:

28 215.195 Agency deposits relating to the Statewide Cost
29 Allocation Plan.--

30 (1) APPLICATION FOR ALLOCABLE STATEWIDE
31 OVERHEAD.--Each state agency, and the judicial branch, making

1 application for federal grant or contract funds shall, in
2 accordance with the Statewide Cost Allocation Plan (SWCAP),
3 include in its application a prorated share of the cost of
4 services provided by state central service agencies which are
5 reimbursable to the state pursuant to the provisions of Office
6 of Management and Budget Circular A-87. Preparation of the
7 Statewide Cost Allocation Plan and coordination thereof with
8 all applicable parties is the responsibility of the Department
9 of Financial Services. The Department of Financial Services
10 shall ensure that the SWCAP presents the most favorable
11 allocation of central services cost allowable to the state by
12 the Federal Government.

13 (2) DEPOSIT OF OVERHEAD IN THE GENERAL REVENUE
14 FUND.--If an application for federal grant or contract funds
15 is approved, the state agency or judicial branch receiving the
16 federal grant or contract shall identify that portion
17 representing reimbursement of allocable statewide overhead and
18 deposit that amount into the General Revenue Fund unallocated
19 as directed by the Department of Financial Services ~~Executive~~
20 ~~Office of the Governor.~~ The Department of Financial Services
21 shall be responsible for monitoring agency compliance with
22 this section.

23 Section 42. Section 215.97, Florida Statutes, is
24 amended to read:

25 215.97 Florida Single Audit Act.--

26 (1) The purposes of the section are to:

27 (a) Establish uniform state audit requirements for
28 state financial assistance provided by state agencies to
29 nonstate entities to carry out state projects.

30
31

1 (b) Promote sound financial management, including
2 effective internal controls, with respect to state financial
3 assistance administered by nonstate entities.

4 (c) Promote audit economy and efficiency by relying to
5 the extent possible on already required audits of federal
6 financial assistance provided to nonstate entities.

7 (d) Provide for identification of state financial
8 assistance transactions in the appropriations act, state
9 accounting records, and recipient organization records.

10 (e) Promote improved coordination and cooperation
11 within and between affected state agencies providing state
12 financial assistance and nonstate entities receiving state
13 assistance.

14 (f) Ensure, to the maximum extent possible, that state
15 agencies monitor, use, and followup on audits of state
16 financial assistance provided to nonstate entities.

17 (2) Definitions; as used in this section, the term:

18 (a) "Audit threshold" means the threshold amount used
19 to determine to use in determining when a state single audit
20 or project-specific audit of a nonstate entity shall be
21 conducted in accordance with this section. Each nonstate
22 entity that expends a total amount of state financial
23 assistance equal to or in excess of \$300,000 in any fiscal
24 year of such nonstate entity shall be required to have a state
25 single audit, or a project-specific audit performed by an
26 independent auditor, for such fiscal year in accordance with
27 the requirements of this section. Every 2 years the Auditor
28 General, after consulting with the Executive Office of the
29 Governor, the Department of Financial Services ~~Chief Financial~~
30 ~~Officer~~, and all state awarding agencies ~~that provide state~~
31 ~~financial assistance to nonstate entities~~, shall review the

1 threshold amount for requiring audits under this section and
2 may adjust such threshold dollar amount consistent with the
3 purposes ~~purpose~~ of this section.

4 (b) "Auditing standards" means the auditing standards
5 as stated in the rules of the Auditor General as applicable to
6 for-profit organizations, nonprofit organizations, or local
7 governmental entities.

8 (c) "Catalog of State Financial Assistance" means a
9 comprehensive listing of state projects. The Catalog of State
10 Financial Assistance shall be issued by the Department of
11 Financial Services ~~Executive Office of the Governor~~ after
12 conferring with the Chief Financial Officer and all state
13 awarding agencies that provide state financial assistance to
14 ~~nonstate entities~~. The Catalog of State Financial Assistance
15 shall include for each listed state project: the responsible
16 state awarding agency; standard state project number
17 identifier; official title; legal authorization; and
18 description of the state project, including objectives,
19 restrictions, application and awarding procedures, and other
20 relevant information determined necessary.

21 (d) "Coordinating agency" means the state awarding
22 agency that provides the predominant amount of state financial
23 assistance expended by a recipient, as determined by the
24 recipient's Schedule of Expenditures of State Financial
25 Assistance. To provide continuity, the determination of the
26 predominant amount of state financial assistance shall be
27 based upon state financial assistance expended in the
28 recipient's fiscal years ending in 2004, 2007, and 2010, and
29 every third year thereafter.

30 (e)~~(d)~~ "Financial reporting package" means the
31 nonstate entities' financial statements, Schedule of

1 Expenditures of State Financial Assistance, auditor's reports,
2 management letter, auditee's written responses or corrective
3 action plan, correspondence on followup of prior years'
4 corrective actions taken, and such other information
5 determined by the Auditor General to be necessary and
6 consistent with the purposes of this section.

7 (f)~~(e)~~ "Federal financial assistance" means financial
8 assistance from federal sources passed through the state and
9 provided to nonstate organizations ~~entities~~ to carry out a
10 federal program. "Federal financial assistance" includes all
11 types of federal assistance as defined in applicable United
12 States Office of Management and Budget circulars.

13 (g)~~(f)~~ "For-profit organization" means any
14 organization or sole proprietor but is not a local
15 governmental entity or a nonprofit organization.

16 (h)~~(g)~~ "Independent auditor" means an independent
17 ~~external state or local government auditor or a certified~~
18 public accountant licensed under chapter 473 ~~who meets the~~
19 ~~independence standards.~~

20 (i)~~(h)~~ "Internal control over state projects" means a
21 process, effected by a nonstate ~~an~~ entity's management and
22 other personnel, designed to provide reasonable assurance
23 regarding the achievement of objectives in the following
24 categories:

- 25 1. Effectiveness and efficiency of operations.
- 26 2. Reliability of financial operations.
- 27 3. Compliance with applicable laws and regulations.

28 (j)~~(i)~~ "Local governmental entity" means a county
29 agency, municipality, or special district or any other entity
30 excluding~~(other than~~ a district school board, charter school,
31 ~~or community college)~~, or public university, however styled,

1 which independently exercises any type of governmental
2 function within the state.

3 (k)~~(j)~~ "Major state project" means any state project
4 meeting the criteria as stated in the rules of the Department
5 of Financial Services ~~Executive Office of the Governor~~. Such
6 criteria shall be established after consultation with all the
7 ~~Chief Financial Officer and appropriate~~ state awarding
8 agencies ~~that provide state financial assistance~~ and shall
9 consider the amount of state project expenditures and or
10 expenses or inherent risks. Each major state project shall be
11 audited in accordance with the requirements of this section.

12 (l)~~(k)~~ "Nonprofit organization" means any corporation,
13 trust, association, cooperative, or other organization that:

14 1. Is operated primarily for scientific, educational
15 service, charitable, or similar purpose in the public
16 interest;

17 2. Is not organized primarily for profit;

18 3. Uses net proceeds to maintain, improve, or expand
19 the operations of the organization; and

20 4. Has no part of its income or profit distributable
21 to its members, directors, or officers.

22 (m)~~(l)~~ "Nonstate entity" means a local governmental
23 entity, nonprofit organization, or for-profit organization
24 that receives state financial assistance ~~resources~~.

25 (n)~~(m)~~ "Recipient" means a nonstate entity that
26 receives state financial assistance directly from a state
27 awarding agency.

28 (o)~~(n)~~ "Schedule of of Expenditures of State Financial
29 Assistance" means a document prepared in accordance with the
30 rules of the Department of Financial Services ~~Chief Financial~~

31

1 ~~Officer~~ and included in each financial reporting package
2 required by this section.

3 (p)~~(o)~~ "State awarding agency" means a ~~the~~ state
4 agency, as defined in s. 216.011, that provides ~~provided~~ state
5 financial assistance to a ~~the~~ nonstate entity.

6 (q)~~(p)~~ "State financial assistance" means ~~financial~~
7 ~~assistance from~~ state resources, not including federal
8 financial assistance and state matching on federal programs,
9 provided to a nonstate entity ~~entities~~ to carry out a state
10 project. "State financial assistance" includes the ~~all~~ types
11 of state resources ~~assistance as~~ stated in the rules of the
12 Department of Financial Services ~~Executive Office of the~~
13 ~~Governor~~ established in consultation with all ~~the~~ Chief
14 ~~Financial Officer~~ and appropriate state awarding agencies that
15 ~~provide state financial assistance. It includes~~ State
16 financial assistance may be provided directly by state
17 awarding agencies or indirectly by nonstate entities
18 ~~recipients of state awards or subrecipients. State financial~~
19 assistance ~~It~~ does not include procurement contracts used to
20 buy goods or services from vendors and. ~~Audits of such~~
21 ~~procurement contracts with vendors are outside of the scope of~~
22 ~~this section. Also, audits of contracts to operate~~ state-owned
23 ~~state-government-owned~~ and contractor-operated facilities ~~are~~
24 ~~excluded from the audit requirements of this section.~~

25 (r)~~(q)~~ "State matching" means state resources provided
26 to a nonstate entity ~~entities to be used~~ to meet federal
27 financial participation matching requirements ~~of federal~~
28 ~~programs.~~

29 (s) "State program" means a set of special purpose
30 activities undertaken to realize identifiable goals and
31 objectives in order to achieve a state agency's mission and

1 legislative intent requiring accountability for state
2 resources.

3 (t)(r) "State project" means a state program that
4 provides all state financial assistance to a nonstate
5 organization and that must be ~~entity~~ assigned a ~~single~~ state
6 project number identifier in the Catalog of State Financial
7 Assistance.

8 (u)(s) "State Projects Compliance Supplement" means a
9 document issued by the Department of Financial Services
10 ~~Executive Office of the Governor~~, in consultation with ~~the~~
11 ~~Chief Financial Officer~~ and all state awarding agencies that
12 ~~provide state financial assistance~~. The State Projects
13 Compliance Supplement shall identify state projects, the
14 significant compliance requirements, eligibility requirements,
15 matching requirements, suggested audit procedures, and other
16 relevant information determined necessary.

17 (v)(t) "State project-specific audit" means an audit
18 of one state project performed in accordance with the
19 requirements of subsection (10)(9).

20 (w)(u) "State single audit" means an audit of a
21 nonstate entity's financial statements and state financial
22 assistance. Such audits shall be conducted in accordance with
23 the auditing standards as stated in the rules of the Auditor
24 General.

25 (x)(v) "Subrecipient" means a nonstate entity that
26 receives state financial assistance through another nonstate
27 entity.

28 (y)(w) "Vendor" means a dealer, distributor, merchant,
29 or other seller providing goods or services that are required
30 for the conduct of a state project. These goods or services
31

1 may be for an organization's own use or for the use of
2 beneficiaries of the state project.

3 (3) The Executive Office of the Governor shall be
4 responsible for notifying the Department of Financial Services
5 of any actions during the budgetary process which impact the
6 Catalog of State Financial Assistance.†

7 ~~(a) Upon conferring with the Chief Financial Officer~~
8 ~~and all state awarding agencies, adopt rules necessary to~~
9 ~~provide appropriate guidance to state awarding agencies,~~
10 ~~recipients and subrecipients, and independent auditors of~~
11 ~~state financial assistance relating to the requirements of~~
12 ~~this section, including:~~

13 1. ~~The types or classes of financial assistance~~
14 ~~considered to be state financial assistance which would be~~
15 ~~subject to the requirements of this section. This would~~
16 ~~include guidance to assist in identifying when the state~~
17 ~~agency or recipient has contracted with a vendor rather than~~
18 ~~with a recipient or subrecipient.~~

19 2. ~~The criteria for identifying a major state project.~~

20 3. ~~The criteria for selecting state projects for~~
21 ~~audits based on inherent risk.~~

22 ~~(b) Be responsible for coordinating the initial~~
23 ~~preparation and subsequent revisions of the Catalog of State~~
24 ~~Financial Assistance after consultation with the Chief~~
25 ~~Financial Officer and all state awarding agencies.~~

26 ~~(c) Be responsible for coordinating the initial~~
27 ~~preparation and subsequent revisions of the State Projects~~
28 ~~Compliance Supplement, after consultation with the Chief~~
29 ~~Financial Officer and all state awarding agencies.~~

30 (4) The Department of Financial Services Chief
31 Financial Officer shall:

1 (a) Upon conferring with the Executive Office of the
2 Governor and all state awarding agencies, adopt rules
3 necessary to provide appropriate guidance to state awarding
4 agencies, nonstate entities, and independent auditors of state
5 financial assistance relating to the requirements of this
6 section, including:

7 1. The types or classes of state resources considered
8 to be state financial assistance that would be subject to the
9 requirements of this section. This would include guidance to
10 assist in identifying when the state awarding agency or a
11 nonstate entity has contracted with a vendor rather than with
12 a recipient or subrecipient.

13 2. The criteria for identifying a major state project.

14 3. The criteria for selecting state projects for
15 audits based on inherent risk.

16 (b) Be responsible for coordinating revisions to the
17 Catalog of State Financial Assistance after consultation with
18 the Executive Office of the Governor and all state awarding
19 agencies.

20 (c) Be responsible for coordinating with the Executive
21 Office of the Governor actions affecting the budgetary process
22 under paragraph (b).

23 (d) Be responsible for coordinating revisions to the
24 State Projects Compliance Supplement, after consultation with
25 the Executive Office of the Governor and all state awarding
26 agencies.

27 (e)~~(a)~~ Make enhancements to the state's accounting
28 system to provide for the:

29 1. Recording of state financial assistance and federal
30 financial assistance appropriations and expenditures within
31 the state awarding agencies' operating funds.

1 2. Recording of state project number identifiers, as
2 provided in the Catalog of State Financial Assistance, for
3 state financial assistance.

4 3. Establishment and recording of an identification
5 code for each financial transaction, including awarding state
6 agencies' disbursements of state financial assistance and
7 federal financial assistance, as to the corresponding type or
8 organization that is party to the transaction (e.g., other
9 governmental agencies, nonprofit organizations, and for-profit
10 organizations), and disbursements of federal financial
11 assistance, as to whether the party to the transaction is or
12 is not a nonstate entity ~~recipient or subrecipient~~.

13 (f)~~(b)~~ Upon conferring with the Executive Office of
14 the Governor and all state awarding agencies, adopt rules
15 necessary to provide appropriate guidance to state awarding
16 agencies, nonstate entities ~~recipients and subrecipients~~, and
17 independent auditors of state financial assistance relating to
18 the format for the Schedule of Expenditures of State Financial
19 Assistance.

20 (g)~~(c)~~ Perform any inspections, reviews,
21 investigations, or audits of state financial assistance
22 considered necessary in carrying out the Department of
23 Financial Services ~~Chief Financial Officer's~~ legal
24 responsibilities for state financial assistance or to comply
25 with the requirements of this section.

26 (5) Each state awarding agency shall:

27 (a) Provide to each ~~a~~ recipient information needed by
28 the recipient to comply with the requirements of this section,
29 including:

30 1. The audit and accountability requirements for state
31 projects as stated in this section and applicable ~~rules of the~~

1 ~~Executive Office of the Governor~~, rules of the Department of
2 Financial Services ~~Chief Financial Officer~~, and rules of the
3 Auditor General.

4 2. Information from the Catalog of State Financial
5 Assistance, including the standard state project number
6 identifier; official title; legal authorization; and
7 description of the state project including objectives,
8 restrictions, and other relevant information determined
9 necessary.

10 3. Information from the State Projects Compliance
11 Supplement, including the significant compliance requirements,
12 eligibility requirements, matching requirements, suggested
13 audit procedures, and other relevant information determined
14 necessary.

15 (b) Require the recipient, as a condition of receiving
16 state financial assistance, to allow the state awarding
17 agency, the Department of Financial Services ~~Chief Financial~~
18 ~~Officer~~, and the Auditor General access to the recipient's
19 records and the recipient's independent auditor's working
20 papers as necessary for complying with the requirements of
21 this section.

22 (c) Notify the recipient that this section does not
23 limit the authority of the state awarding agency to conduct or
24 arrange for the conduct of additional audits or evaluations of
25 state financial assistance or limit the authority of any state
26 awarding agency inspector general, the Auditor General, or any
27 other state official.

28 (d) Be provided one copy of each financial reporting
29 package prepared in accordance with the requirement of this
30 section.

31

1 (e) Review the recipient's ~~recipient~~ financial
2 reporting package, including the management letters and
3 corrective action plans, to the extent necessary to determine
4 whether timely and appropriate corrective action has been
5 taken with respect to audit findings and recommendations
6 pertaining to state financial assistance that are specific to
7 ~~provided by~~ the state awarding agency.

8 (f) Designate within the state awarding agency a
9 division, bureau, or other organizational unit that will be
10 responsible for reviewing financial reporting packages
11 pursuant to paragraph (e).

12
13 If the state awarding agency is not the coordinating agency as
14 defined in paragraph (2)(d), the state awarding agency's
15 designated division, bureau, or other organizational unit
16 shall communicate to the coordinating agency the state
17 awarding agency's approval of the recipient's corrective
18 action plan with respect to findings and recommendations that
19 are not specific to the state awarding agency.

20 (6) Each coordinating agency shall:

21 (a) Review the recipient's financial reporting
22 package, including the management letter and corrective action
23 plan, to identify audit findings and recommendations that
24 affect state financial assistance which are not specific to a
25 particular state awarding agency.

26 (b) For any such findings and recommendations
27 determine:

28 1. Whether timely and appropriate corrective action
29 has been taken.

30 2. Promptly inform the state awarding agency's
31 contact, as provided in paragraph (5)(f), of actions taken by

1 the recipient to comply with the approved corrective action
2 plan.

3 (c) Maintain records of followup actions taken for the
4 use of any succeeding coordinating agency.

5 (7)(6) As a condition of receiving state financial
6 assistance, each nonstate entity recipient that provides state
7 financial assistance to a subrecipient shall:

8 (a) Provide to each a subrecipient information needed
9 by the subrecipient to comply with the requirements of this
10 section, including:

11 1. Identification of the state awarding agency.
12 2. The audit and accountability requirements for state
13 projects as stated in this section and applicable ~~rules of the~~
14 ~~Executive Office of the Governor~~, rules of the Department of
15 Financial Services ~~Chief Financial Officer~~, and rules of the
16 Auditor General.

17 3. Information from the Catalog of State Financial
18 Assistance, including the standard state project number
19 identifier; official title; legal authorization; and
20 description of the state project, including objectives,
21 restrictions, and other relevant information.

22 4. Information from the State Projects Compliance
23 Supplement including the significant compliance requirements,
24 eligibility requirements, matching requirements, and suggested
25 audit procedures, and other relevant information determined
26 necessary.

27 (b) Review the financial reporting package of the
28 subrecipient ~~audit reports~~, including the management letter
29 and corrective action plan letters, to the extent necessary to
30 determine whether timely and appropriate corrective action has
31 been taken with respect to audit findings and recommendations

1 | pertaining to state financial assistance provided by a the
2 | state awarding agency or nonstate entity.

3 | (c) Perform any ~~such~~ other procedures ~~as~~ specified in
4 | terms and conditions of the written agreement with the state
5 | awarding agency or nonstate entity, including any required
6 | monitoring of the subrecipient's use of state financial
7 | assistance through onsite visits, limited scope audits, or
8 | other specified procedures.

9 | (d) Require subrecipients, as a condition of receiving
10 | state financial assistance, to permit the independent auditor
11 | of the nonstate entity recipient, the state awarding agency,
12 | Department of Financial Services ~~the Chief Financial Officer~~,
13 | and the Auditor General access to the subrecipient's records
14 | and the subrecipient's independent auditor's working papers as
15 | necessary to comply with the requirements of this section.

16 | ~~(8)(7)~~ Each recipient or subrecipient of state
17 | financial assistance shall comply with the following:

18 | (a) Each nonstate entity that ~~receives state financial~~
19 | ~~assistance~~ and meets the audit threshold requirements, in any
20 | fiscal year of the nonstate entity, as stated in the rules of
21 | the Auditor General, shall have a state single audit conducted
22 | for such fiscal year in accordance with the requirements of
23 | this act and with additional requirements established in ~~rules~~
24 | ~~of the Executive Office of the Governor~~, rules of the
25 | Department of Financial Services ~~Chief Financial Officer~~, and
26 | rules of the Auditor General. If only one state project is
27 | involved in a nonstate entity's fiscal year, the nonstate
28 | entity may elect to have only a state project-specific audit
29 | ~~of the state project for that fiscal year~~.

30 | (b) Each nonstate entity ~~that receives state financial~~
31 | ~~assistance~~ and does not meet the audit threshold requirements,

1 in any fiscal year of the nonstate entity, as stated in this
2 law or the rules of the Auditor General is exempt for such
3 fiscal year from the state single audit requirements of this
4 section. However, such nonstate entity must meet terms and
5 conditions specified in the written agreement with the state
6 awarding agency or nonstate entity.

7 (c) Regardless of the amount of the state financial
8 assistance, the provisions of this section do not exempt a
9 nonstate entity from compliance with provisions of law
10 relating to maintaining records concerning state financial
11 assistance to such nonstate entity or allowing access and
12 examination of those records by the state awarding agency,
13 nonstate entity, the Department of Financial Services Chief
14 ~~Financial Officer~~, or the Auditor General.

15 (d) Audits conducted pursuant to this section shall be
16 performed annually.

17 (e) Audits conducted pursuant to this section shall be
18 conducted by independent auditors in accordance with auditing
19 standards as stated in rules of the Auditor General.

20 (f) Upon completion of the audit as required by this
21 section, a copy of the recipient's financial reporting package
22 shall be filed with the state awarding agency and the Auditor
23 General. Upon completion of the audit as required by this
24 section, a copy of the subrecipient's financial reporting
25 package shall be filed with the nonstate entity recipient that
26 provided the state financial assistance and the Auditor
27 General. The financial reporting package shall be filed in
28 accordance with the rules of the Auditor General.

29 (g) All financial reporting packages prepared pursuant
30 to the requirements of this section shall be available for
31 public inspection.

1 (h) If an audit conducted pursuant to this section
2 discloses any significant audit findings relating to state
3 financial assistance, including material noncompliance with
4 individual state project compliance requirements or reportable
5 conditions in internal controls of the nonstate entity, the
6 nonstate entity shall submit as part of the financial
7 reporting ~~audit~~ package to the state awarding agency or
8 nonstate entity a plan for corrective action to eliminate such
9 audit findings or a statement describing the reasons that
10 corrective action is not necessary.

11 (i) An audit conducted in accordance with this section
12 is in addition to any audit of federal awards required by the
13 federal Single Audit Act and other federal laws and
14 regulations. To the extent that such federally required audits
15 provide the state awarding agency or nonstate entity with
16 information it requires to carry out its responsibilities
17 under state law or other guidance, ~~the a~~ state awarding agency
18 or nonstate entity shall rely upon and use that information.

19 (j) Unless prohibited by law, the costs ~~cost~~ of audits
20 pursuant to this section are ~~is~~ allowable charges to state
21 projects. However, any charges to state projects should be
22 limited to those incremental costs incurred as a result of the
23 audit requirements of this section in relation to other audit
24 requirements. The nonstate entity should allocate such
25 incremental costs to all state projects for which it expended
26 state financial assistance.

27 (k) Audit costs may not be charged to state projects
28 when audits required by this section have not been made or
29 have been made but not in accordance with this section. If a
30 nonstate entity fails to have an audit conducted consistent
31 with this section, a state awarding agency or nonstate entity

1 ~~agencies~~ may take appropriate corrective action to enforce
2 compliance.

3 (l) This section does not prohibit the state awarding
4 agency or nonstate entity from including terms and conditions
5 in the written agreement which require additional assurances
6 that state financial assistance meets the applicable
7 requirements of laws, regulations, and other compliance rules.

8 (m) A state awarding agency or nonstate entity that
9 ~~provides state financial assistance to nonstate entities and~~
10 conducts or arranges for audits of state financial assistance
11 that are in addition to the audits conducted under this act,
12 including audits of nonstate entities that do not meet the
13 audit threshold requirements, shall, consistent with other
14 applicable law, arrange for funding the full cost of such
15 additional audits.

16 (9)~~(8)~~ The independent auditor when conducting a state
17 single audit of a nonstate entity ~~recipients or subrecipients~~
18 shall:

19 (a) Determine whether the nonstate entity's financial
20 statements are presented fairly in all material respects in
21 conformity with generally accepted accounting principles.

22 (b) Determine whether state financial assistance shown
23 on the Schedule of Expenditures of State Financial Assistance
24 is presented fairly in all material respects in relation to
25 the nonstate entity's financial statements taken as a whole.

26 (c) With respect to internal controls pertaining to
27 each major state project:

- 28 1. Obtain an understanding of internal controls;
- 29 2. Assess control risk;
- 30 3. Perform tests of controls unless the controls are
- 31 deemed to be ineffective; and

1 4. Determine whether the nonstate entity has internal
2 controls in place to provide reasonable assurance of
3 compliance with the provisions of laws and rules pertaining to
4 state financial assistance that have a material effect on each
5 major state project.

6 (d) Determine whether each major state project
7 complied with the provisions of laws, rules, and guidelines as
8 identified in the State Projects Compliance Supplement, or
9 otherwise identified by the state awarding agency, which have
10 a material effect on each major state project. When major
11 state projects are less than 50 percent of the nonstate
12 entity's total expenditures for all state financial
13 assistance, the auditor shall select and test additional state
14 projects as major state projects as necessary to achieve audit
15 coverage of at least 50 percent of the expenditures for all
16 state financial assistance provided to the nonstate entity.
17 Additional state projects needed to meet the 50-percent
18 requirement may be selected on an inherent risk basis as
19 stated in the rules of the Department of Financial Services
20 ~~Executive Office of the Governor~~.

21 (e) Report on the results of any audit conducted
22 pursuant to this section in accordance with the ~~rules of the~~
23 ~~Executive Office of the Governor~~, rules of the Department of
24 Financial Services ~~Chief Financial Officer~~, and rules of the
25 Auditor General. Financial reporting packages must ~~Audit~~
26 ~~reports shall~~ include summaries of the auditor's results
27 regarding the nonstate entity's financial statements; Schedule
28 of Expenditures of State Financial Assistance; internal
29 controls; and compliance with laws, rules, and guidelines.

30 (f) Issue a management letter as prescribed in the
31 rules of the Auditor General.

1 (g) Upon notification by the nonstate entity, make
2 available the working papers relating to the audit conducted
3 pursuant to the requirements of this section to the state
4 awarding agency, the Department of Financial Services ~~Chief~~
5 ~~Financial Officer~~, or the Auditor General for review or
6 copying.

7 (10)~~(9)~~ The independent auditor, when conducting a
8 state project-specific audit of a nonstate entity recipients
9 ~~or subrecipients~~, shall:

10 (a) Determine whether the nonstate entity's Schedule
11 of Expenditure of State Financial Assistance is presented
12 fairly in all material respects in conformity with stated
13 accounting policies.

14 (b) Obtain an understanding of internal controls
15 ~~control~~ and perform tests of internal controls ~~control~~ over
16 the state project consistent with the requirements of a major
17 state project.

18 (c) Determine whether or not the auditee has complied
19 with applicable provisions of laws, rules, and guidelines as
20 identified in the State Projects Compliance Supplement, or
21 otherwise identified by the state awarding agency, which could
22 have a direct and material effect on the state project.

23 (d) Report on the results of the ~~a~~ state
24 project-specific audit consistent with the requirements of the
25 state single audit and issue a management letter as prescribed
26 in the rules of the Auditor General.

27 (e) Upon notification by the nonstate entity, make
28 available the working papers relating to the audit conducted
29 pursuant to the requirements of this section to the state
30 awarding agency, the Department of Financial Services ~~Chief~~
31

1 ~~Financial Officer~~, or the Auditor General for review or
2 copying.

3 (11)~~(10)~~ The Auditor General shall:

4 (a) Have the authority to audit state financial
5 assistance provided to any nonstate entity when determined
6 necessary by the Auditor General or when directed by the
7 Legislative Auditing Committee.

8 (b) Adopt rules that state the auditing standards that
9 independent auditors are to follow for audits of nonstate
10 entities required by this section.

11 (c) Adopt rules that describe the contents and the
12 filing deadlines for the financial reporting package.

13 (d) Provide technical advice upon request of the
14 Department of Financial Services ~~Chief Financial Officer,~~
15 ~~Executive Office of the Governor,~~ and state awarding agencies
16 relating to financial reporting and audit responsibilities
17 contained in this section.

18 (e) Be provided one copy of each financial reporting
19 package prepared in accordance with the requirements of this
20 section.

21 (f) Perform ongoing reviews of a sample of financial
22 reporting packages filed pursuant to the requirements of this
23 section to determine compliance with the reporting
24 requirements of this section and applicable ~~rules of the~~
25 ~~Executive Office of the Governor,~~ rules of the Department of
26 Financial Services ~~Chief Financial Officer,~~ and rules of the
27 Auditor General.

28 Section 43. Section 1010.47, Florida Statutes, is
29 amended to read:

30 1010.47 Receiving bids and sale of bonds.--
31

1 (1) If the issuance of bonds is authorized at the
2 election, or if any bonds outstanding against the district are
3 being refunded, the district school board shall sell the bonds
4 in the manner provided in s. 218.385.~~cause notice to be given~~
5 ~~by publication in some newspaper published in the district~~
6 ~~that the board will receive bids for the purchase of the bonds~~
7 ~~at the office of the district school superintendent. The~~
8 ~~notice shall be published twice, and the first publication~~
9 ~~shall be given not less than 30 days prior to the date set for~~
10 ~~receiving the bids. The notice shall specify the amount of the~~
11 ~~bonds offered for sale, shall state whether the bids shall be~~
12 ~~sealed bids or whether the bonds are to be sold at auction,~~
13 ~~and shall give the schedule of maturities of the proposed~~
14 ~~bonds and such other pertinent information as may be~~
15 ~~prescribed by rules of the State Board of Education. Bidders~~
16 ~~may be invited to name the rate of interest that the bonds are~~
17 ~~to bear or the district school board may name rates of~~
18 ~~interest and invite bids thereon. In addition to publication~~
19 ~~of notice of the proposed sale as set forth in this~~
20 ~~subsection, the district school board shall notify in writing~~
21 ~~at least three recognized bond dealers in the state, and, at~~
22 ~~the same time, notify the Department of Education concerning~~
23 ~~the proposed sale and enclose a copy of the advertisement.~~

24 (2) All bonds and refunding bonds issued as provided
25 by law shall be sold to the highest and best bidder at such
26 public sale unless sold at a better price or yield basis
27 within 30 days after failure to receive an acceptable bid at a
28 duly advertised public sale, provided that at no time shall
29 bonds or refunding bonds be sold or exchanged at less than par
30 value except as specifically authorized by the Department of
31 Education; and provided, further, that the district school

1 ~~board shall have the right to reject all bids and cause a new~~
2 ~~notice to be given in like manner inviting other bids for such~~
3 ~~bonds, or to sell all or any part of such bonds to the State~~
4 ~~Board of Education at a price and yield basis that shall not~~
5 ~~be less advantageous to the district school board than that~~
6 ~~represented by the highest and best bid received.~~In the
7 marketing of the bonds, the district school board shall be
8 entitled to have such assistance as can be rendered by the
9 Division of Bond Finance, the Commissioner of Education, or
10 any other public state officer or agency. In determining the
11 highest and best bidder for bonds offered for sale, the net
12 interest cost to the school board as shown in standard bond
13 tables shall govern, provided that the determination of the
14 district school board as to the highest and best bidder shall
15 be final.

16 Section 44. Effective July 1, 2004, one full-time
17 equivalent position is transferred from the Executive Office
18 of the Governor to the Department of Financial Services.

19 Section 45. This act shall take effect upon becoming a
20 law.

21
22 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
23 COMMITTEE SUBSTITUTE FOR
24 Senate Bill 708

25 The committee substitute provides that the Department of
26 Management Services may compel a local government to provide
27 material actuarial information concerning its local pension
28 plan.

29 In addition, the committee substitute eliminates the term
30 "non-state organization" from revisions to the Florida Single
31 Audit Act as the term is not used.