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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. 11.51,  
10 F.S.; conforming provisions to changes made by  
11 the act; amending s. 61.181, F.S.; correcting a  
12 cross-reference; amending s. 75.05, F.S.;  
13 deleting a requirement for an independent  
14 special district to submit a copy of a  
15 complaint to the Division of Bond Finance of  
16 the State Board of Administration; amending s.  
17 112.08, F.S.; clarifying that local governments  
18 are authorized to provide health insurance;  
19 amending s. 112.625, F.S.; revising the  
20 definition of "governmental entity" to include  
21 counties and district school boards; amending  
22 s. 112.63, F.S.; providing for additional  
23 material information to be provided to the  
24 Department of Management Services in actuarial  
25 reports with regard to retirement systems and  
26 plans and providing procedures therefor;  
27 providing for notification of the Department of  
28 Revenue and the Department of Financial  
29 Services in cases of noncompliance and  
30 authorizing the withholding of certain funds;  
31 requiring the Department of Management Services

1 to notify the Department of Community Affairs  
2 in the case of affected special districts;  
3 amending s. 130.04, F.S.; revising provisions  
4 governing notice of bids and disposition of  
5 bonds; amending s. 132.02, F.S.; revising  
6 provisions relating to the authorization to  
7 issue refund bonds; amending s. 132.09, F.S.;  
8 revising provisions relating to the notice of  
9 sale, bids, and awards and private sale of  
10 bonds; amending s. 163.05, F.S.; revising  
11 provisions governing the Small County Technical  
12 Assistance Program; amending s. 166.121, F.S.;  
13 revising provisions governing the issuance of  
14 bonds by a municipality; amending s. 166.241,  
15 F.S.; providing a municipal budget amendment  
16 process and requirements; amending ss. 175.261  
17 and 185.221, F.S.; conforming provisions to  
18 changes made by the act; amending s. 189.4044,  
19 F.S.; revising special procedures for  
20 determination of inactive special districts;  
21 amending s. 189.412, F.S.; revising duties of  
22 the Special District Information Program of the  
23 Department of Community Affairs; amending s.  
24 189.418, F.S.; revising reporting requirements  
25 of newly created special districts; authorizing  
26 the governing body of a special district to  
27 amend its budget; amending s. 189.419, F.S.;  
28 revising provisions relating to the failure of  
29 special districts to file required reports;  
30 amending s. 189.421, F.S.; revising provisions  
31 governing the failure of special districts to

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

1 the provisions of the section; amending s.  
2 218.369, F.S.; revising the definition of "unit  
3 of local government" to include district school  
4 boards; renaming pt. V of ch. 218, F.S., as  
5 "Local Governmental Entity and District School  
6 Board Financial Emergencies"; amending s.  
7 218.50, F.S.; renaming ss. 218.50-218.504,  
8 F.S., as the "Local Governmental Entity and  
9 District School Board Act"; amending s.  
10 218.501, F.S.; revising the stated purposes of  
11 pt. V of ch. 218, F.S.; amending s. 218.502,  
12 F.S.; revising the definition of "local  
13 governmental entity"; amending s. 218.503,  
14 F.S.; revising provisions governing the  
15 determination of a financial emergency for  
16 local governments and district school boards;  
17 amending s. 218.504, F.S.; revising provisions  
18 relating to the authority of the Governor and  
19 authorizing the Commissioner of Education to  
20 terminate all state actions pursuant to ss.  
21 218.50-218.504, F.S.; repealing ch. 131, F.S.,  
22 consisting of ss. 131.01, 131.02, 131.03,  
23 131.04, 131.05, and 131.06, F.S., relating to  
24 refunding bonds of counties, municipalities,  
25 and special districts; repealing s. 132.10,  
26 F.S., relating to minimum sale price of bonds;  
27 repealing s. 165.052, F.S., relating to special  
28 dissolution procedures for municipalities;  
29 repealing s. 189.409, F.S., relating to  
30 determination of financial emergencies of  
31 special districts; repealing s. 189.422, F.S.,

1 relating to actions of the Department of  
2 Community Affairs and special districts;  
3 repealing s. 200.0684, F.S., relating to an  
4 annual compliance report of the Department of  
5 Community Affairs regarding special districts;  
6 repealing s. 218.37(1)(h), F.S., relating to  
7 the requirement that the Division of Bond  
8 Finance use a served copy of the complaint for  
9 bond validation to verify compliance by special  
10 districts with the requirements in s. 218.38,  
11 F.S.; amending s. 215.195, F.S., relating to  
12 the Statewide Cost Allocation Plan; providing  
13 that the Department of Financial Services is  
14 responsible for the plan's preparation and the  
15 monitoring of agency compliance; amending s.  
16 1010.47, F.S.; providing that school districts  
17 must sell bonds; deleting obsolete provisions  
18 relating to the sale of bonds by a school  
19 district; amending s. 288.9610, F.S.;  
20 correcting a cross-reference; authorizing a  
21 pilot program to be established by a rural  
22 health network in Monroe County; providing for  
23 approval by the Office of Insurance Regulation  
24 of the Financial Services Commission; requiring  
25 a report by a specified date; repealing s.  
26 373.556, F.S., relating to the investment of  
27 funds by the governing board of a water  
28 management district; 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 (4) of section 11.51, Florida  
11 Statutes, is amended to read:

12           11.51 Office of Program Policy Analysis and Government  
13 Accountability.--

14           (4) The Office of Program Policy Analysis and  
15 Government Accountability is authorized to examine all  
16 entities and records listed in s. 11.45(3) ~~s. 11.45(3)(a)~~.

17           Section 4. Subsection (10) of section 61.181, Florida  
18 Statutes, is amended to read:

19           61.181 Depository for alimony transactions, support,  
20 maintenance, and support payments; fees.--

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

24           Section 5. Subsection (3) of section 75.05, Florida  
25 Statutes, is amended to read:

26           75.05 Order and service.--

27           ~~(3) In the case of independent special districts as~~  
28 ~~defined in s. 218.31(7), a copy of the complaint shall be~~  
29 ~~served on the Division of Bond Finance of the State Board of~~  
30 ~~Administration.~~ Notwithstanding any other provision of law,  
31 whether a general law or special act, validation of bonds to

1 | be issued by a special district, other than a community  
2 | development district established pursuant to chapter 190, as  
3 | provided in s. 190.016(12), is not mandatory, but is at the  
4 | option of the issuer. However, the validation of bonds issued  
5 | by such community development districts shall not be required  
6 | on refunding issues.

7 |         Section 6. Paragraph (a) of subsection (2) of section  
8 | 112.08, Florida Statutes, is amended to read:

9 |         112.08 Group insurance for public officers, employees,  
10 | and certain volunteers; physical examinations.--

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

1 by direct negotiations and contract. The local governmental  
2 unit may undertake simultaneous negotiations with those  
3 companies which have submitted reasonable and timely bids and  
4 are found by the local governmental unit to be fully qualified  
5 and capable of meeting all servicing requirements. Each local  
6 governmental unit may self-insure any plan for health,  
7 accident, and hospitalization coverage or enter into a risk  
8 management consortium to provide such coverage, subject to  
9 approval based on actuarial soundness by the Office of  
10 Insurance Regulation; and each shall contract with an  
11 insurance company or professional administrator qualified and  
12 approved by the office to administer such a plan.

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

15 112.625 Definitions.--As used in this act:

16 (5) "Governmental entity" means the state, for the  
17 Florida Retirement System, and the county, municipality, ~~or~~  
18 special district, or district school board which is the  
19 employer of the member of a local retirement system or plan.

20 Section 8. Subsection (4) of section 112.63, Florida  
21 Statutes, is amended to read:

22 112.63 Actuarial reports and statements of actuarial  
23 impact; review.--

24 (4) Upon receipt, pursuant to subsection (2), of an  
25 actuarial report, or upon receipt, pursuant to subsection (3),  
26 of a statement of actuarial impact, the Department of  
27 Management Services shall acknowledge such receipt, but shall  
28 only review and comment on each retirement system's or plan's  
29 actuarial valuations at least on a triennial basis. If the  
30 department finds that the actuarial valuation is not complete,  
31 accurate, or based on reasonable assumptions or otherwise



1 materially fails to satisfy the requirements of this part, if  
2 the department requires additional material information  
3 necessary to complete its review of the actuarial valuation of  
4 a system or plan or material information necessary to satisfy  
5 the duties of the department pursuant to s. 112.665(1), or if  
6 the department does not receive the actuarial report or  
7 statement of actuarial impact, the department shall notify the  
8 administrator of the affected retirement system or plan and  
9 the affected governmental entity ~~local government~~ and request  
10 appropriate adjustment, the additional material information,  
11 or the required report or statement. The notification must  
12 inform the administrator of the affected retirement system or  
13 plan and the affected governmental entity of the consequences  
14 for failure to comply with the requirements of this  
15 subsection. If, after a reasonable period of time, a  
16 satisfactory adjustment is not made or the report, statement,  
17 or additional material information is not provided, the  
18 department may notify the Department of Revenue and the  
19 Department of Financial Services of such noncompliance, in  
20 which case the Department of Revenue and the Department of  
21 Financial Services shall withhold any funds not pledged for  
22 satisfaction of bond debt service which are payable to the  
23 affected governmental entity until the adjustment is made or  
24 the report, statement, or additional material information is  
25 provided to the department. The department shall specify the  
26 date such action is to begin, and notification by the  
27 department must be received by the Department of Revenue, the  
28 Department of Financial Services, and the affected  
29 governmental entity 30 days before the date the action begins.  
30       (a) Within 21 days after receipt of the notice, the  
31 affected governmental entity ~~local government~~ or the

1 ~~department~~ may petition for a hearing under ~~the provisions of~~  
2 ss. 120.569 and 120.57 with the Department of Management  
3 Services. The Department of Revenue and the Department of  
4 Financial Services may not be parties to any such hearing, but  
5 may request to intervene if requested by the Department of  
6 Management Services or if the Department of Revenue or the  
7 Department of Financial Services determines its interests may  
8 be adversely affected by the hearing. If the administrative  
9 law judge recommends in favor of the department, the  
10 department shall perform an actuarial review, ~~or~~ prepare the  
11 statement of actuarial impact, or collect the requested  
12 material information. The cost to the department of performing  
13 such actuarial review, ~~or~~ preparing the such statement, or  
14 collecting the requested material information shall be charged  
15 to the affected governmental entity of which the employees are  
16 covered by the retirement system or plan. If payment of such  
17 costs is not received by the department within 60 days after  
18 receipt by the affected governmental entity of the request for  
19 payment, the department shall certify to the Department of  
20 Revenue and the Department of Financial Services Chief  
21 ~~Financial Officer~~ the amount due, and the Department of  
22 Revenue and the Department of Financial Services Chief  
23 ~~Financial Officer~~ shall pay such amount to the Department of  
24 Management Services from any funds not pledged for  
25 satisfaction of bond debt service which are payable to the  
26 affected governmental entity of which the employees are  
27 covered by the retirement system or plan. If the  
28 administrative law judge recommends in favor of the affected  
29 governmental entity local retirement system and the department  
30 performs an actuarial review, prepares the statement of  
31 actuarial impact, or collects the requested material

1 information, the cost to the department of performing the  
2 actuarial review, preparing the statement, or collecting the  
3 requested material information shall be paid by the Department  
4 of Management Services.

5 (b) In the case of an affected special district, the  
6 Department of Management Services shall also notify the  
7 Department of Community Affairs. Upon receipt of notification,  
8 the Department of Community Affairs shall proceed pursuant to  
9 the provisions of s. 189.421 with regard to the special  
10 district.

11 Section 9. Section 130.04, Florida Statutes, is  
12 amended to read:

13 130.04 Sale ~~Notice for bids and disposition~~ of  
14 bonds.--In case the issuing of bonds shall be authorized by  
15 the result of such election, the county commissioners shall  
16 sell the bonds in the manner provided in s. 218.385. ~~cause~~  
17 ~~notice to be given by publication in a newspaper published in~~  
18 ~~the county, or in some newspaper published in the same~~  
19 ~~judicial circuit, if there be none published in the county,~~  
20 ~~that they will receive bids for the purchase of county bonds~~  
21 ~~at the clerk's office, on a date not less than 10 days nor~~  
22 ~~more than 60 days from the first publication of such notice.~~  
23 ~~The notice shall specify the amount of bonds offered for sale,~~  
24 ~~the rate of interest, and the time when principal and~~  
25 ~~installments of interest shall be due and payable. Any and all~~  
26 ~~bids shall be rejected if the commissioners shall deem it to~~  
27 ~~the best interest for the county so to do, and they may cause~~  
28 ~~a new notice to be given in like manner inviting other bids~~  
29 ~~for said bonds; provided, that when the rate of interest on~~  
30 ~~said bonds exceeds 5 percent per annum, said bonds shall not~~  
31 ~~be sold for less than 95 cents on the dollar, but when any~~

1 ~~bonds have heretofore been provided for by election, and the~~  
2 ~~rate of interest is 5 percent per annum, or less, that in such~~  
3 ~~cases the county commissioners may accept less than 95 cents~~  
4 ~~upon the dollar, in the sale of said bonds, or for any portion~~  
5 ~~of said bonds not already sold; provided, however, no bonds~~  
6 ~~shall be sold for less than 90 cents on the dollar.~~

7 Section 10. Subsection (1) of section 132.02, Florida  
8 Statutes, is amended to read:

9 132.02 Taxing units may refund obligations.--

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

29 Section 11. Section 132.09, Florida Statutes, is  
30 amended to read:

31

1           132.09 Sale of bonds ~~Notice of sale; bids and award;~~  
2 ~~private sale.~~--When sold, the refunding bonds (except as  
3 otherwise expressly provided) shall be sold in the manner  
4 provided in s. 218.385 ~~pursuant to the terms of a notice of~~  
5 ~~sale which shall be published at least twice. The first~~  
6 ~~publication to be not less than 7 days before the date fixed~~  
7 ~~for the sale and to be published in a newspaper published in~~  
8 ~~the unit, or if no newspaper is published in the unit, then in~~  
9 ~~a newspaper published in the county, or if no newspaper is~~  
10 ~~published in the county, then in a newspaper published in~~  
11 ~~Tallahassee, and in the discretion of the governing body of~~  
12 ~~the unit may be published in a financial newspaper in the City~~  
13 ~~of New York. Such notices shall state the time and place and~~  
14 ~~when and where sealed bids will be received, shall state the~~  
15 ~~amount of bonds, their dates, maturities, denominations and~~  
16 ~~interest rate or rates (which may be a maximum rate), interest~~  
17 ~~payment dates, an outline of the terms, if any, on which they~~  
18 ~~are redeemable or become payable before maturity, the amount~~  
19 ~~which must be deposited with the bid to secure its performance~~  
20 ~~if accepted, and such other pertinent information as the~~  
21 ~~governing body of the unit may determine. The notice of sale~~  
22 ~~may require the bidders to fix the interest rate or rates that~~  
23 ~~the bonds are to bear subject to the terms of the notice and~~  
24 ~~the maximum rate permitted by this chapter. The award of the~~  
25 ~~bonds shall be made by the governing body of the unit to the~~  
26 ~~bidder making the most advantageous bid which shall be~~  
27 ~~determined by the governing body in its absolute and~~  
28 ~~uncontrolled discretion. The right to reject all bids shall~~  
29 ~~be reserved to the governing body of the unit. If no bids are~~  
30 ~~received at such public sale, or if all bids are rejected, the~~  
31 ~~bonds may be sold without notice at private sale at any time~~

1 ~~within one year thereafter, but such bonds shall not be sold~~  
2 ~~at private sale on terms less favorable to the unit than were~~  
3 ~~contained in the best bid at the prior public sale.~~

4 Section 12. Paragraph (a) of subsection (2) of section  
5 163.05, Florida Statutes, is amended to read:

6 163.05 Small County Technical Assistance Program.--

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

9 (a) The financial difficulties ~~fiscal emergencies~~  
10 confronting small counties require an investment that will  
11 facilitate efforts to improve the productivity and efficiency  
12 of small counties' structures and operating procedures.

13 Section 13. Subsection (2) of section 166.121, Florida  
14 Statutes, is amended to read:

15 166.121 Issuance of bonds.--

16 (2) The governing body of a municipality shall  
17 determine the terms and manner of sale and distribution or  
18 other disposition of any and all bonds it may issue,  
19 consistent with the provisions of s. 218.385, and shall have  
20 any and all powers necessary or convenient to such  
21 disposition.

22 Section 14. Section 166.241, Florida Statutes, is  
23 amended to read:

24 166.241 Fiscal years, ~~financial reports,~~  
25 ~~appropriations, and budgets, and budget amendments.~~--

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

28 ~~(1)(2)~~ Each municipality shall make provision for  
29 establishing a fiscal year beginning October 1 of each year  
30 and ending September 30 of the following year.

31

1           ~~(2)(3)~~ The governing body of each municipality shall  
2 adopt a budget each fiscal year. The budget must be adopted by  
3 ordinance or resolution unless otherwise specified in the  
4 respective municipality's charter. The amount available from  
5 taxation and other sources, including amounts carried over  
6 from prior fiscal years, must equal the total appropriations  
7 for expenditures and reserves. The budget must regulate  
8 expenditures of the municipality, and it is unlawful for any  
9 officer of a municipal government to expend or contract for  
10 expenditures in any fiscal year except in pursuance of  
11 budgeted appropriations.

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

16           (a) Appropriations for expenditures within a fund may  
17 be decreased or increased by motion recorded in the minutes,  
18 provided that the total of the appropriations of the fund is  
19 not changed.

20           (b) The governing body may establish procedures by  
21 which the designated budget officer may authorize certain  
22 budget amendments within a department, provided that the total  
23 of the appropriations of the department is not changed.

24           (c) If a budget amendment is required for a purpose  
25 not specifically authorized in paragraph (a) or paragraph (b),  
26 the budget amendment must be adopted in the same manner as the  
27 original budget unless otherwise specified in the charter of  
28 the respective municipality.

29           Section 15. Paragraph (b) of subsection (1) of section  
30 175.261, Florida Statutes, is amended to read:

31

1           175.261 Annual report to Division of Retirement;  
2 actuarial valuations.--For any municipality, special fire  
3 control district, chapter plan, local law municipality, local  
4 law special fire control district, or local law plan under  
5 this chapter, the board of trustees for every chapter plan and  
6 local law plan shall submit the following reports to the  
7 division:

8           (1) With respect to chapter plans:

9           (b) In addition to annual reports provided under  
10 paragraph (a), by February 1 of each triennial year, an  
11 actuarial valuation of the chapter plan must be made by the  
12 division at least once every 3 years, as provided in s.  
13 112.63, commencing 3 years from the last actuarial valuation  
14 of the plan or system for existing plans, or commencing 3  
15 years from issuance of the initial actuarial impact statement  
16 submitted under s. 112.63 for newly created plans. To that  
17 end, the chair of the board of trustees for each firefighters'  
18 pension trust fund operating under a chapter plan shall report  
19 to the division such data as it needs to complete an actuarial  
20 valuation of each fund. The forms for each municipality and  
21 special fire control district shall be supplied by the  
22 division. The expense of this actuarial valuation shall be  
23 borne by the firefighters' pension trust fund established by  
24 ss. 175.041 and 175.121. The requirements of this section are  
25 supplemental to the actuarial valuations necessary to comply  
26 with s. ss. 218.321 and 218.39.

27           Section 16. Paragraph (b) of subsection (1) of section  
28 185.221, Florida Statutes, is amended to read:

29           185.221 Annual report to Division of Retirement;  
30 actuarial valuations.--For any municipality, chapter plan,  
31 local law municipality, or local law plan under this chapter,



1 the board of trustees for every chapter plan and local law  
2 plan shall submit the following reports to the division:

3 (1) With respect to chapter plans:

4 (b) In addition to annual reports provided under  
5 paragraph (a), by February 1 of each triennial year, an  
6 actuarial valuation of the chapter plan must be made by the  
7 division at least once every 3 years, as provided in s.  
8 112.63, commencing 3 years from the last actuarial valuation  
9 of the plan or system for existing plans, or commencing 3  
10 years from the issuance of the initial actuarial impact  
11 statement submitted under s. 112.63 for newly created plans.  
12 To that end, the chair of the board of trustees for each  
13 municipal police officers' retirement trust fund operating  
14 under a chapter plan shall report to the division such data as  
15 the division needs to complete an actuarial valuation of each  
16 fund. The forms for each municipality shall be supplied by  
17 the division. The expense of the actuarial valuation shall be  
18 borne by the municipal police officers' retirement trust fund  
19 established by s. 185.10. The requirements of this section are  
20 supplemental to the actuarial valuations necessary to comply  
21 with ~~s. ss. 218.321 and~~ 218.39.

22 Section 17. 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.; 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 18. 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 19. 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 20. 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 21. 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 22. 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 23. 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 24. 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 25. 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 26. 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 27. Section 218.321, Florida Statutes, is  
12 repealed.

13           Section 28. 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 29. 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 30. 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 31. 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 32. 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 33. 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 solvency 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 34. 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 35. 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)~~(e) 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 fund 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 fund 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 ~~(c) 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 36. 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 37. 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 38. Section 132.10, Florida Statutes, is  
15 repealed.

16 Section 39. Section 165.052, Florida Statutes, is  
17 repealed.

18 Section 40. Section 189.409, Florida Statutes, is  
19 repealed.

20 Section 41. Section 189.422, Florida Statutes, is  
21 repealed.

22 Section 42. Section 200.0684, Florida Statutes, is  
23 repealed.

24 Section 43. Paragraph (h) of subsection (1) of section  
25 218.37, Florida Statutes, is repealed.

26 Section 44. 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 45. Section 1010.47, Florida Statutes, is  
24 amended to read:

25 1010.47 Receiving bids and sale of bonds.--

26 (1) If the issuance of bonds is authorized at the  
27 election, or if any bonds outstanding against the district are  
28 being refunded, the district school board shall sell the bonds  
29 in the manner provided in s. 218.385. ~~cause notice to be given~~  
30 ~~by publication in some newspaper published in the district~~  
31 ~~that the board will receive bids for the purchase of the bonds~~

1 ~~at the office of the district school superintendent. The~~  
2 ~~notice shall be published twice, and the first publication~~  
3 ~~shall be given not less than 30 days prior to the date set for~~  
4 ~~receiving the bids. The notice shall specify the amount of the~~  
5 ~~bonds offered for sale, shall state whether the bids shall be~~  
6 ~~sealed bids or whether the bonds are to be sold at auction,~~  
7 ~~and shall give the schedule of maturities of the proposed~~  
8 ~~bonds and such other pertinent information as may be~~  
9 ~~prescribed by rules of the State Board of Education. Bidders~~  
10 ~~may be invited to name the rate of interest that the bonds are~~  
11 ~~to bear or the district school board may name rates of~~  
12 ~~interest and invite bids thereon. In addition to publication~~  
13 ~~of notice of the proposed sale as set forth in this~~  
14 ~~subsection, the district school board shall notify in writing~~  
15 ~~at least three recognized bond dealers in the state, and, at~~  
16 ~~the same time, notify the Department of Education concerning~~  
17 ~~the proposed sale and enclose a copy of the advertisement.~~

18       (2) ~~All bonds and refunding bonds issued as provided~~  
19 ~~by law shall be sold to the highest and best bidder at such~~  
20 ~~public sale unless sold at a better price or yield basis~~  
21 ~~within 30 days after failure to receive an acceptable bid at a~~  
22 ~~duly advertised public sale, provided that at no time shall~~  
23 ~~bonds or refunding bonds be sold or exchanged at less than par~~  
24 ~~value except as specifically authorized by the Department of~~  
25 ~~Education; and provided, further, that the district school~~  
26 ~~board shall have the right to reject all bids and cause a new~~  
27 ~~notice to be given in like manner inviting other bids for such~~  
28 ~~bonds, or to sell all or any part of such bonds to the State~~  
29 ~~Board of Education at a price and yield basis that shall not~~  
30 ~~be less advantageous to the district school board than that~~  
31 ~~represented by the highest and best bid received. In the~~

1 marketing of the bonds, the district school board shall be  
2 entitled to have such assistance as can be rendered by the  
3 Division of Bond Finance, the Commissioner of Education, or  
4 any other public state officer or agency. In determining the  
5 highest and best bidder for bonds offered for sale, the net  
6 interest cost to the school board as shown in standard bond  
7 tables shall govern, provided that the determination of the  
8 district school board as to the highest and best bidder shall  
9 be final.

10 Section 46. Subsection (1) of section 288.9610,  
11 Florida Statutes, is amended to read:

12 288.9610 Annual reports of Florida Development Finance  
13 Corporation.--By December 1 of each year, the Florida  
14 Development Finance Corporation shall submit to the Governor,  
15 the President of the Senate, the Speaker of the House of  
16 Representatives, the Senate Minority Leader, the House  
17 Minority Leader, and the city or county activating the Florida  
18 Development Finance Corporation a complete and detailed report  
19 setting forth:

20 (1) The evaluation required in s. 11.45(3)(j) ~~s.~~  
21 ~~11.45(3)(a)~~11.

22 Section 47. Pilot program; Monroe County.--

23 (1) The Legislature has determined that insurers and  
24 managed care organizations are unable to provide adequate or  
25 affordable health insurance coverage in rural counties and  
26 other isolated areas of the state. It is therefore necessary  
27 to explore alternatives for making affordable health insurance  
28 coverage available in rural counties and other similar areas  
29 of the state.

30 (2) An entity in Monroe County, established pursuant  
31 to section 381.0406, Florida Statutes, may, through a

1 nonprofit corporation, establish a self-insurance plan  
2 approved by the Office of Insurance Regulation in accordance  
3 with section 112.08 (2)(b), Florida Statutes, to insure  
4 residents of a rural county or similar area if the residents  
5 are unable to obtain adequate or affordable health insurance  
6 coverage. Premiums charged by the self-insurance plan for  
7 participating residents or employers shall be actuarially  
8 sound. In reviewing such a self-insurance plan, the office  
9 shall consult with the Department of Health to confirm that  
10 the program is consistent with the purpose and scope of  
11 chapter 381, Florida Statutes.

12 (3) The entity in Monroe County which establishes this  
13 program shall, in addition to the reporting requirements set  
14 forth in section 112.08(2)(b), Florida Statutes, prepare an  
15 evaluation of the pilot program, including recommendations for  
16 the future of the program, and submit the report to the  
17 Governor, the President of the Senate, the Speaker of the  
18 House of Representatives, the Department of Health, and the  
19 office no later than January 1, 2006.

20 Section 48. Section 373.556, Florida Statutes, is  
21 repealed.

22 Section 49. This act shall take effect upon becoming a  
23 law.

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