

By Senator Baker

20-1034-07

1 A bill to be entitled

2 An act relating to special districts; declaring

3 legislative intent; providing for the periodic

4 abolition and examination of special districts

5 in the state; providing criteria for

6 determining the performance of a special

7 district and whether it should be revived;

8 providing duties of the Department of Community

9 Affairs; providing the schedule of special

10 district abolitions; providing procedures with

11 respect to newly created districts, to

12 districts that appear in more than one function

13 classification, and to districts the

14 certification of which was inadvertently

15 omitted; amending s. 218.39, F.S.; requiring an

16 independent audit of each special district when

17 an audit is not performed by the Auditor

18 General; creating s. 218.395, F.S.; providing

19 liability of a special district officer or

20 board member when an audit shows that the

21 officer or member is responsible for financial

22 loss by the district through misfeasance,

23 malfeasance, or nonfeasance; providing an

24 effective date.

25

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

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28 Section 1. It is the intent of the Legislature that

29 special districts in this state be examined to determine their

30 current effectiveness and future prospects for continued

31 usefulness to the people of this state. The Legislature

1 recognizes that not all special districts are creations of the
2 Legislature. However, the Legislature determines that all
3 special districts must be subject to review if this
4 examination is to have the intended effect.

5 Section 2. The governmental entity by which a special
6 district was created is the entity responsible for its
7 subsequent examination. In conducting its examination, the
8 governmental entity must determine:

9 (1) The degree to which the service delivered by the
10 special district is essential.

11 (2) The extent of continuing need for the service
12 delivered by the special district.

13 (3) Whether there is a method of delivering that
14 service which is more cost-effective than its provision by a
15 special district.

16 (4) Whether the service delivered by the special
17 district duplicates service delivered by a governmental
18 entity.

19 (5) Whether the delivery of the service by the special
20 district, and the administrative infrastructure that supports
21 the delivery, have become obsolete.

22 (6) Whether those persons administering the special
23 district have demonstrated an appropriate degree of
24 stewardship over the public moneys received by the district.

25 Section 3. To carry out the examination of special
26 districts in this state, all special districts are abolished
27 according to the schedule in section 4. Each September 1, the
28 Department of Community Affairs shall certify those special
29 districts abolished on October 1 of the following year. If a
30 special district was created by the Legislature, the
31 certification must be made to the Legislature. The Legislature

1 shall review each such district and may revive, revive with
2 modifications in structure or powers or both, or abolish the
3 district. If the Legislature abolishes the district, it must
4 dispose of the assets of the district and assign its powers
5 and duties to a governmental entity, which may be an entity of
6 local government, a state agency, or another special district.
7 If a special district was created by an entity of local
8 government, the certification must be made to that entity. The
9 entity shall review each such district and may revive, revive
10 with modifications in structure or powers or both, or abolish
11 the district. If an entity of local government abolishes a
12 district, it shall assume the assets, powers, and duties of
13 the district. If a governmental entity to which a
14 certification is made fails to examine the district and to
15 revive or abolish it, the district is abolished and its
16 assets, powers, and duties are transferred to the county in
17 which the district operates. If the district operates in more
18 than one county, the assets are transferred to the counties
19 pro rata according to the proportion of the district within
20 each.

21 Section 4. The classifications in this section refer
22 to the classifications in the Special Districts Function Index
23 maintained by the Department of Community Affairs. Special
24 districts in the following function classifications are
25 abolished in the years indicated:

26 (1) October 1, 2008: Affordable Housing,
27 Airport/Aviation, Aquatic Plant Control, Arts, Beach and
28 Shore, Beautification, Civic Center, Conservation and Erosion,
29 Environmental Protection, Historic Preservation, Inlet
30 Maintenance, Library, Neighborhood Improvement,
31 Recreation/Parks, and Sports.

1 (2) October 1, 2009: Community Development, Community
2 Redevelopment, County Development, Downtown Development,
3 Economic Development, and Industrial Development in Alachua,
4 Baker, Bay, Bradford, Brevard, Broward, Calhoun, Charlotte,
5 Citrus, Clay, Collier, Columbia, DeSoto, Dixie, Duval,
6 Escambia, and Flagler Counties.

7 (3) October 1, 2010: Community Development, Community
8 Redevelopment, County Development, Downtown Development,
9 Economic Development, and Industrial Development in Franklin,
10 Gadsden, Gilchrist, Glades, Gulf, Hamilton, Hardee, Hendry,
11 Hernando, Highlands, Hillsborough, Holmes, Indian River,
12 Jackson, Jefferson, Lafayette, Lake, and Lee Counties.

13 (4) October 1, 2011: Community Development, Community
14 Redevelopment, County Development, Downtown Development,
15 Economic Development, and Industrial Development in Leon,
16 Levy, Liberty, Madison, Manatee, Marion, Martin, Monroe,
17 Nassau, Okaloosa, Okeechobee, and Orange Counties.

18 (5) October 1, 2012: Community Development, Community
19 Redevelopment, County Development, Downtown Development,
20 Economic Development, and Industrial Development in Osceola,
21 Palm Beach, Pasco, Pinellas, and Polk Counties.

22 (6) October 1, 2013: Community Development, Community
23 Redevelopment, County Development, Downtown Development,
24 Economic Development, and Industrial Development in Putnam,
25 Santa Rosa, Sarasota, Seminole, St. Johns, St. Lucie, Sumter,
26 Suwannee, Taylor, Union, Volusia, Wakulla, Walton, and
27 Washington Counties.

28 (7) October 1, 2014: Children/Welfare, Emergency
29 Medical Services, Fire Control and Rescue, Health Care, Health
30 Facilities, Hospital, Juvenile Welfare, and Nursing Home.

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1 (8) October 1, 2015: Housing Authority, Housing
2 Finance, Information Systems, Infrastructure Provision,
3 Lighting, Mobile Home Parks, Planning and Zoning, Solid Waste,
4 Utility, and Wastewater Treatment.

5 (9) October 1, 2016: Capital Finance, Distribution
6 Pipelines, Education/Research/Training, Educational Facilities
7 (Higher), Educational Facilities Benefit, Expressways and
8 Bridges, Mosquito Control, Municipal Services/Improvements,
9 Parking, Personnel, Research and Development, Soil and Water
10 Conservation, Subdivision, and Transportation.

11 (10) October 1, 2017: Navigation, Port, Water Control,
12 Water Management, Water Supply, and Water and Sewer.

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14 If any special district is included in more than one
15 classification and those classifications are scheduled to be
16 certified in different years, the Department of Community
17 Affairs shall certify the district in the later of those
18 years. If a special district is created after the effective
19 date of this act and would, according to the schedule in this
20 section, be subject to examination in less than 3 years, the
21 department shall not certify that district at that time but
22 wait until the next ensuing time for certifying districts in
23 that function classification. If the department fails to
24 certify a district according to the schedule in this section,
25 it shall certify the district on the September 1 following the
26 discovery of the omission. Each district examined and revived
27 with or without modifications must be reexamined every 10
28 years following its initial examination.

29 Section 5. Subsection (1) of section 218.39, Florida
30 Statutes, is amended to read:

31 218.39 Annual financial audit reports.--

1 (1) If, by the first day in any fiscal year, a local
2 governmental entity, district school board, charter school, or
3 charter technical career center has not been notified that a
4 financial audit for that fiscal year will be performed by the
5 Auditor General, each of the following entities shall have an
6 annual financial audit of its accounts and records completed
7 within 12 months after the end of its fiscal year by an
8 independent certified public accountant retained by it and
9 paid from its public funds:

10 (a) Each county.

11 (b) Any municipality with revenues or the total of
12 expenditures and expenses in excess of \$250,000.

13 (c) ~~Each Any special district with revenues or the~~
14 ~~total of expenditures and expenses in excess of \$100,000.~~

15 (d) Each district school board.

16 (e) Each charter school established under s. 1002.33.

17 (f) Each charter technical center established under s.
18 1002.34.

19 (g) Each municipality with revenues or the total of
20 expenditures and expenses between \$100,000 and \$250,000 that
21 has not been subject to a financial audit pursuant to this
22 subsection for the 2 preceding fiscal years.

23 ~~(h) Each special district with revenues or the total~~
24 ~~of expenditures and expenses between \$50,000 and \$100,000 that~~
25 ~~has not been subject to a financial audit pursuant to this~~
26 ~~subsection for the 2 preceding fiscal years.~~

27 Section 6. Section 218.395, Florida Statutes, is
28 created to read:

29 218.395 Certain officers; responsibility for audit
30 findings.--If a special district audit conducted by the
31 Auditor General or by a certified public accountant under s.

1 218.39 determines that an officer or member of the governing
2 body of a district has, through misfeasance, malfeasance, or
3 nonfeasance, been responsible for a financial loss by the
4 district, the officer or member is responsible for the amount
5 of the loss and the district has a cause of action against the
6 officer or member for its recovery.

7 Section 7. This act shall take effect upon becoming a
8 law.

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SENATE SUMMARY

Requires governmental entities that have created special districts to examine them on a 10-year cycle. Provides criteria for determining the efficacy of special districts. Provides for assignment of assets, powers, and duties of special districts that are abolished. Requires an independent audit of each special district each year if it is not audited by the Auditor General. Provides liability on the part of district officers and board members when an audit determines that the officer or member has, through misfeasance, malfeasance, or nonfeasance, been responsible for financial loss by the district.