

By the Committee on Community Affairs; and Senator Norman

578-02789A-11

20111120c1

1 A bill to be entitled
2 An act relating to special districts; amending s.
3 189.4042, F.S.; providing for the merger of contiguous
4 special districts; providing definitions; providing
5 that the merger or dissolution of dependent districts
6 created by special act may be effectuated only by the
7 Legislature; providing certain exemptions for inactive
8 dependent and independent special districts; requiring
9 involuntary dissolution procedures for independent
10 special districts to include referenda; providing that
11 the Legislature may merge independent special
12 districts created by special act; providing for the
13 voluntary merger of contiguous independent special
14 districts pursuant to a joint resolution of the
15 governing bodies of the districts or upon initiative
16 of the district electors; providing the procedures
17 that must be adhered to, including notice and public
18 hearings; requiring the development and adoption of a
19 merger plan; requiring a referendum; providing for the
20 effective date of the merger; providing that
21 legislative approval of the merger is not required but
22 that the charter of the new district must be submitted
23 for approval; providing restrictions on the merged
24 district until the charter is approved; providing that
25 the ad valorem millage rate in each component
26 independent special district is levied only up to the
27 millage rate previously approved by the electors of
28 the district; providing for the effect of the merger
29 on the property, employees, legal liabilities, and

578-02789A-11

20111120c1

30 annexations of the component districts; providing for
31 the election of the governing board of the merged
32 district; providing an exemption for independent
33 special districts whose governing bodies are elected
34 by district landowners voting the acreage owned within
35 the district; requiring involuntary merger procedures
36 for independent special districts to include
37 referenda; amending s. 191.014, F.S.; deleting a
38 provision relating to the merger of independent
39 special districts or dependent fire control districts;
40 amending s. 189.4044, F.S.; revising dissolution
41 procedures for special districts declared inactive by
42 a governing body; providing an effective date.

43
44 Be It Enacted by the Legislature of the State of Florida:

45
46 Section 1. Section 189.4042, Florida Statutes, is amended
47 to read:

48 189.4042 Merger and dissolution procedures.—

49 (1) DEFINITIONS.—As used in this section, the term:

50 (a) “Component independent special district” means an
51 independent special district that proposes to be merged into a
52 merged independent district, or an independent special district
53 as it existed before its merger into the merged independent
54 district of which it is now a part.

55 (b) “Elector-initiated merger plan” means the merger plan
56 of two or more independent special districts, a majority of
57 whose qualified electors have elected to merge, which outlines
58 the terms and agreements for the official merger of the

578-02789A-11

20111120c1

59 districts, and is finalized and approved by the governing bodies
60 of the districts pursuant to this section.

61 (c) "Governing body" means the governing body of the
62 independent special district in which the general legislative,
63 governmental, or public powers of the district are vested and by
64 authority of which the official business of the district is
65 conducted.

66 (d) "Initiative" means the filing of a petition containing
67 a proposal for a referendum to be placed on the ballot for
68 election.

69 (e) "Joint merger plan" means the merger plan that is
70 adopted by resolution of the governing bodies of two or more
71 independent special districts, that outlines the terms and
72 agreements for the official merger of the districts, and that is
73 finalized and approved by the governing bodies pursuant to this
74 section.

75 (f) "Merged independent district" means a single
76 independent special district that results from a successful
77 merger of two or more independent special districts pursuant to
78 this section.

79 (g) "Merger" means the combination of two or more
80 contiguous independent special districts that combine to become
81 a newly created merged independent district that assumes
82 jurisdiction over all of the component independent special
83 districts.

84 (h) "Merger plan" means a written document that contains
85 the terms, agreements, and information regarding the merger of
86 two or more independent special districts.

87 (i) "Proposed elector-initiated merger plan" means a

578-02789A-11

20111120c1

88 written document that contains the terms and information
89 regarding the merger of two or more independent special
90 districts and that accompanies the petition initiated by the
91 qualified electors of the districts, but that is not yet
92 finalized and approved by the governing bodies of each component
93 independent special district pursuant to this section.

94 (j) "Proposed joint merger plan" means a written document
95 that contains the terms and information regarding the merger of
96 two or more independent special districts and that has been
97 prepared pursuant to a resolution of the governing bodies of the
98 districts, but that is not yet finalized and approved by the
99 governing bodies of each component independent special district
100 pursuant to this section.

101 (k) "Qualified elector" means an individual at least 18
102 years of age who is a citizen of the United States, a permanent
103 resident of this state, and a resident of the district who
104 registers with the supervisor of elections of a county within
105 which the district lands are located when the registration books
106 are open.

107 (2) MERGER OR DISSOLUTION OF A DEPENDENT SPECIAL DISTRICT.—

108 (a) The merger or dissolution of a dependent special
109 district ~~districts~~ may be effectuated by an ordinance of the
110 general-purpose local governmental entity wherein the
111 geographical area of the district or districts is located.
112 However, a county may not dissolve a special district that is
113 dependent to a municipality or vice versa, or a dependent
114 district created by special act.

115 (b) The merger or dissolution of a dependent district
116 created and operating pursuant to a special act may be

578-02789A-11

20111120c1

117 effectuated only by further act of the Legislature unless
118 otherwise provided by general law.

119 (c) Dependent special districts that meet any criteria for
120 being declared inactive, or that have already been declared
121 inactive, pursuant to s. 189.4044 may be dissolved or merged by
122 special act without a referendum.

123 (d) ~~(b)~~ A copy of any ordinance and of any changes to a
124 charter affecting the status or boundaries of one or more
125 special districts shall be filed with the Special District
126 Information Program within 30 days after ~~of~~ such activity.

127 (3) ~~(2)~~ DISSOLUTION OF AN INDEPENDENT SPECIAL DISTRICT.—

128 (a) *Voluntary dissolution.*—The voluntary merger or
129 dissolution of an independent special district ~~or a dependent~~
130 ~~district~~ created and operating pursuant to a special act may
131 ~~only~~ be effectuated only by the Legislature unless otherwise
132 provided by general law.

133 (b) *Involuntary dissolution.*—If a local general-purpose
134 government seeks to dissolve an active independent special
135 district created and operating pursuant to a special act whose
136 board objects by resolution to the dissolution, the dissolution
137 of the active independent special district is not effective
138 until a special act of the Legislature is approved by a majority
139 of the resident electors of the district or landowners voting in
140 the same manner by which the independent special district's
141 governing board is elected. This paragraph also applies if an
142 independent special district's governing board elects to
143 dissolve the district by less than a supermajority vote of the
144 board. The political subdivisions proposing the involuntary
145 dissolution of an active independent special district shall be

578-02789A-11

20111120c1

146 responsible for payment of any expenses associated with the
147 referendum required under this paragraph.

148 (c) Inactive independent special districts.—Independent
149 special districts that meet any criteria for being declared
150 inactive, or that have already been declared inactive, pursuant
151 to s. 189.4044 may be dissolved by special act without a
152 referendum. If an inactive independent special district was
153 created by a county or municipality through a referendum, the
154 county or municipality that created the district may dissolve
155 the district after publishing notice as described in s.
156 189.4044. If an independent special district was created by a
157 county or municipality by referendum or any other procedure, the
158 county or municipality that created the district may merge or
159 dissolve the district pursuant to a referendum or any other ~~the~~
160 ~~same~~ procedure by which the independent district was created.
161 However, if the ~~for any~~ independent special district ~~that~~ has ad
162 valorem taxation powers, the same procedure required to grant
163 the ~~such~~ independent district ad valorem taxation powers is
164 ~~shall also be~~ required to dissolve ~~or merge~~ the district.

165 (d) Debts and assets.—Financial allocations of the assets
166 and indebtedness of a dissolved independent special district
167 shall be pursuant to s. 189.4045.

168 (4) LEGISLATIVE MERGER OF INDEPENDENT SPECIAL DISTRICTS.—
169 The Legislature may merge independent special districts created
170 and operating pursuant to special act.

171 (5) VOLUNTARY MERGER OF INDEPENDENT SPECIAL DISTRICTS.—Two
172 or more contiguous independent special districts created by
173 special act which have similar functions and elected governing
174 bodies may elect to merge into a single independent district

578-02789A-11

20111120c1

175 through the act of merging the component independent special
176 districts

177 (a) Initiation.—Merger proceedings may commence by:

178 1. A joint resolution of the governing bodies of each
179 independent special district which endorses a proposed joint
180 merger plan; or

181 2. A qualified elector initiative.

182 (b) Joint merger plan by resolution.—The governing bodies
183 of two or more contiguous independent special districts may, by
184 joint resolution, endorse a proposed joint merger plan to
185 commence proceedings to merge the districts pursuant to this
186 subsection.

187 1. The proposed joint merger plan must specify:

188 a. The name of each component independent special district
189 to be merged;

190 b. The name of the proposed merged independent district;

191 c. The rights, duties, and obligations of the proposed
192 merged independent district;

193 d. The territorial boundaries of the proposed merged
194 independent district;

195 e. The governmental organization of the proposed merged
196 independent district insofar as it concerns elected and
197 appointed officials and public employees, along with a
198 transitional plan and schedule for elections and appointments of
199 officials;

200 f. A fiscal estimate of the potential cost or savings as a
201 result of the merger;

202 g. Each component independent special district's assets,
203 including, but not limited to, real and personal property, and

578-02789A-11

20111120c1

204 the current value thereof;

205 h. Each component independent special district's
206 liabilities and indebtedness, bonded and otherwise, and the
207 current value thereof;

208 i. Terms for the assumption and disposition of existing
209 assets, liabilities, and indebtedness of each component
210 independent special district jointly, separately, or in defined
211 proportions;

212 j. Terms for the common administration and uniform
213 enforcement of existing laws within the proposed merged
214 independent district;

215 k. The times and places for public hearings on the proposed
216 joint merger plan;

217 1. The times and places for a referendum in each component
218 independent special district on the proposed joint merger plan,
219 along with the referendum language to be presented for approval;
220 and

221 m. The effective date of the proposed merger.

222 2. The resolution endorsing the proposed joint merger plan
223 must be approved by a majority vote of the governing bodies of
224 each component independent special district and adopted at least
225 60 business days before any general or special election on the
226 proposed joint merger plan.

227 3. Within 5 business days after the governing bodies
228 approve the resolution endorsing the proposed joint merger plan,
229 the governing bodies must:

230 a. Cause a copy of the proposed joint merger plan, along
231 with a descriptive summary of the plan, to be displayed and be
232 readily accessible to the public for inspection in at least

578-02789A-11

20111120c1

233 three public places within the territorial limits of each
234 component independent special district, unless a component
235 district has fewer than three public places, in which case the
236 plan must be accessible for inspection in all public places
237 within the component independent special district;

238 b. If applicable, cause the proposed joint merger plan,
239 along with a descriptive summary of the plan and a reference to
240 the public places within each component independent special
241 district where a copy of the merger plan may be examined, to be
242 displayed on a website maintained by each district or on a
243 website maintained by the county or municipality in which the
244 districts are located; and

245 c. Arrange for a descriptive summary of the proposed joint
246 merger plan and a reference to the public places within the
247 district where a copy may be examined, to be published in a
248 newspaper of general circulation within the component
249 independent special districts at least once each week for 4
250 successive weeks.

251 4. The governing body of each component independent special
252 district shall set a time and place for one or more public
253 hearings on the proposed joint merger plan. The public hearing
254 shall be held on a weekday at least 7 business days after the
255 day the first advertisement is published on the proposed joint
256 merger plan. The hearings may be held jointly or separately by
257 the governing bodies of each component district. Any interested
258 person residing in the respective district shall be given a
259 reasonable opportunity to be heard on any aspect of the proposed
260 merger at the public hearing.

261 a. Notice of the public hearing addressing the resolution

578-02789A-11

20111120c1

262 for the proposed joint merger plan must be published pursuant to
263 the notice requirements under s. 189.417 and must provide a
264 descriptive summary of the proposed joint merger plan and a
265 reference to the public places within the component independent
266 special districts where a copy of the plan may be examined.

267 b. After the final public hearing, the governing bodies of
268 each component independent special district may amend the
269 proposed joint merger plan if the amended version complies with
270 the notice and public hearing requirements provided in this
271 subsection. Thereafter, the governing bodies may approve a final
272 version of the joint merger plan or decline to proceed further
273 with the merger. Approval by the governing bodies of the final
274 version of the joint merger plan must occur within 60 business
275 days after the final hearing.

276 5. After the final public hearing, the governing bodies
277 shall notify the supervisors of elections of the applicable
278 counties in which district lands are located of the adoption of
279 the resolution by each governing body. The supervisors of
280 elections shall schedule separate referendums for each component
281 independent special district. The referendums may be held in
282 each district on the same day, or on different days, but no more
283 than 20 days apart.

284 a. Notice of a referendum on the merger of independent
285 special districts must be provided pursuant to the notice
286 requirements in s. 100.342. At a minimum, the notice must
287 include:

288 (I) A brief summary of the resolution and joint merger
289 plan;

290 (II) A statement as to where a copy of the resolution and

578-02789A-11

20111120c1

291 joint merger plan may be examined;

292 (III) The names of the component independent special
293 districts and a description of their territory;

294 (IV) The times and places at which the referendum will be
295 held; and

296 (V) Such other matters as may be necessary to call, provide
297 for, and give notice of the referendum and to provide for the
298 conduct thereof and the canvass of the returns.

299 b. The referendums must be held in accordance with the
300 Florida Election Code and may be held pursuant to ss. 101.6101-
301 101.6107. All costs associated with the referendums shall be
302 borne by the respective component independent special district.

303 c. The ballot question in such referendum placed before the
304 qualified electors of each component independent special
305 district to be merged must be in substantially the following
306 form:

307
308 "Shall (...name of component independent special
309 district...) and (...name of component independent special
310 district or districts...) be merged into (...name of new merged
311 independent district...)?

312 YES

313 NO"

314
315 d. If the component independent special districts have
316 disparate millage rates, the ballot question in the referendum
317 placed before the qualified electors of each component district
318 must be in substantially the following form:

319

578-02789A-11

20111120c1

320 "Shall (...name of component independent special
321 district...) and (...name of component independent special
322 district or districts...) be merged into (...name of new merged
323 independent district...), if the voter-approved maximum millage
324 rate within each independent special district will not increase
325 absent a subsequent referendum?

326 YES

327 NO"

328
329 e. In any referendum held pursuant to this subsection, the
330 ballots shall be counted, returns made and canvassed, and
331 results certified in the same manner as other elections or
332 referendums for the component independent special districts.

333 f. The merger may not take effect unless a majority of the
334 votes cast in each component independent special district are in
335 favor of the merger. If one of the component districts does not
336 obtain a majority vote, the referendum fails, and merger does
337 not take effect.

338 g. If merger is approved by a majority of the votes cast in
339 each component independent special district, the merged
340 independent district is created. Upon approval, the merged
341 district shall notify the Special District Information Program
342 pursuant to s. 189.418(2) and the local general-purpose
343 governments in which any part of the component districts is
344 situated pursuant to s. 189.418(7).

345 h. If the referendum fails, the merger process under this
346 paragraph may not be initiated for the same purpose within 2
347 years after the date of the referendum.

348 6. Component independent special districts merged pursuant

578-02789A-11

20111120c1

349 to a joint merger plan by resolution shall continue to be
 350 governed as before the merger until the effective date specified
 351 in the adopted joint merger plan.

352 (c) Qualified elector-initiated merger plan.—The qualified
 353 electors of two or more contiguous independent special districts
 354 may commence a merger proceeding by each filing a petition with
 355 the governing bodies of each independent special district
 356 proposing to be merged. The petition must contain the signatures
 357 of at least 20 percent of the qualified electors of each
 358 component independent special district.

359 1. The petition must comply with, and be circulated in, the
 360 following form:

361
 362 PETITION FOR INDEPENDENT SPECIAL DISTRICT MERGER

363
 364 We, the undersigned electors and legal voters of (...name
 365 of independent special district...), qualified to vote at the
 366 next general or special election, respectfully petition that
 367 there be submitted to the electors and legal voters of (...name
 368 of independent special district or districts proposed to be
 369 merged...), for their approval or rejection at a referendum held
 370 for that purpose, a proposal to merge (...name of component
 371 independent special district...) and (...name of component
 372 independent special district or districts...)

373
 374 In witness thereof, we have signed our names on the date
 375 indicated next to our signatures.

376
 377 Date Name (print under signature) Home Address

578-02789A-11

20111120c1

378

379

380

381

382

383

384

385

386

387

388

389

390

391

392

393

394

395

396

397

398

399

400

401

402

403

404

405

406

2. The petition must be validated by a signed statement by a witness who is a duly qualified elector of one of the component independent special districts, a notary public, or another person authorized to take acknowledgements.

a. A statement that is signed by a witness who is a duly qualified elector of the respective district shall be accepted for all purposes as the equivalent of an affidavit. Such statement must be in substantially the following form:

"I, (...name of witness...), state that I am a duly qualified voter of (...name of independent special district...). Each of the (...insert number...) persons who have signed this petition sheet has signed his or her name in my presence on the dates indicated above and identified himself or herself to be the same person who signed the sheet. I understand that this statement will be accepted for all purposes as the equivalent of an affidavit, and if it contains a materially false statement, shall subject me to the penalties of perjury."

Date

Signature of Witness

b. A statement that is signed by a notary public or another person authorized to take acknowledgements must be in substantially the following form:

"On the date indicated above before me personally came each

578-02789A-11

20111120c1

407 of the (...insert number...) electors and legal voters whose
 408 signatures appear on this petition sheet, who signed the
 409 petition in my presence and who, being by me duly sworn, each
 410 for himself or herself, identified himself or herself as the
 411 same person who signed the petition, and I declare that the
 412 foregoing information they provided was true."

413

414 Date Signature of Witness

415

416 c. An alteration or correction of information appearing on
 417 a petition's signature line, other than an uninitialed signature
 418 and date, does not invalidate such signature. In matters of
 419 form, this paragraph shall be liberally construed, not
 420 inconsistent with substantial compliance thereto and the
 421 prevention of fraud.

422 d. The appropriately signed petition must be filed with the
 423 governing board of each component independent special district.
 424 The petition must be submitted to the supervisors of elections
 425 of the counties in which the district lands are located. The
 426 supervisors shall, within 30 business days after receipt of the
 427 petitions, certify to the governing boards the number of
 428 signatures of qualified electors contained on the petitions.

429 3. Upon verification by the supervisors of election of the
 430 counties within which component independent special district
 431 lands are located that 20 percent of the qualified electors have
 432 petitioned for merger, the governing bodies of each component
 433 district shall meet within 30 business days to prepare and
 434 approve by resolution a proposed elector-initiated merger plan.
 435 The proposed plan must include:

578-02789A-11

20111120c1

- 436 a. The name of each component independent special district
437 to be merged;
- 438 b. The name of the proposed merged independent district;
- 439 c. The rights, duties, and obligations of the merged
440 independent district;
- 441 d. The territorial boundaries of the proposed merged
442 independent district;
- 443 e. The governmental organization of the proposed merged
444 independent district insofar as it concerns elected and
445 appointed officials and public employees, along with a
446 transitional plan and schedule for elections and appointments of
447 officials;
- 448 f. A fiscal estimate of the potential cost or savings as a
449 result of the merger;
- 450 g. Each component independent special district's assets,
451 including, but not limited to, real and personal property, and
452 the current value thereof;
- 453 h. Each component independent special district's
454 liabilities and indebtedness, bonded and otherwise, and the
455 current value thereof;
- 456 i. Terms for the assumption and disposition of existing
457 assets, liabilities, and indebtedness of each component
458 independent special district, jointly, separately, or in defined
459 proportions;
- 460 j. Terms for the common administration and uniform
461 enforcement of existing laws within the proposed merged
462 independent district;
- 463 k. The times and places for public hearings on the proposed
464 joint merger plan; and

578-02789A-11

20111120c1

465 1. The effective date of the proposed merger.

466 4. The resolution endorsing the proposed elector-initiated
467 merger plan must be approved by a majority vote of the governing
468 bodies of each component independent special district and must
469 be adopted at least 60 business days before any general or
470 special election on the proposed elector-initiated plan.

471 5. Within 5 business days after the governing bodies of
472 each component independent special district approve the proposed
473 elector-initiated merger plan, the governing bodies shall:

474 a. Cause a copy of the proposed elector-initiated merger
475 plan, along with a descriptive summary of the plan, to be
476 displayed and be readily accessible to the public for inspection
477 in at least three public places within the territorial limits of
478 each component independent special district, unless a component
479 district has fewer than three public places, in which case the
480 plan must be accessible for inspection in all public places
481 within the component independent special district;

482 b. If applicable, cause the proposed elector-initiated
483 merger plan, along with a descriptive summary of the plan and a
484 reference to the public places within each component independent
485 special district where a copy of the merger plan may be
486 examined, to be displayed on a website maintained by each
487 district or otherwise on a website maintained by the county or
488 municipality in which the districts are located; and

489 c. Arrange a descriptive summary of the proposed elector-
490 initiated merger plan and a reference to the public places
491 within the district where a copy may be examined, to be
492 published in a newspaper of general circulation within the
493 component independent special districts at least once each week

578-02789A-11

20111120c1

494 for 4 successive weeks.

495 6. The governing body of each component independent special
496 district shall set the time and place for one or more public
497 hearings on the proposed elector-initiated merger plan. The
498 public hearing shall be held on a weekday at least 7 business
499 days after the day the first advertisement is published on the
500 proposed elector-initiated merger plan. The hearing or hearings
501 may be held jointly or separately by the governing bodies of
502 each component independent special district. Any interested
503 person residing in the respective district shall be given a
504 reasonable opportunity to be heard on any aspect of the proposed
505 merger at the public hearing.

506 a. Notice of the public hearing on the proposed elector-
507 initiated merger plan must be published pursuant to the notice
508 requirements provided in s. 189.417 and must provide a
509 descriptive summary of the elector-initiated merger plan and a
510 reference to the places within the component independent special
511 districts where a copy of the plan may be examined.

512 b. After the final public hearing, the governing bodies of
513 each component independent special district may amend the
514 proposed elector-initiated merger plan if the amended version
515 complies with the notice and public hearing requirements
516 provided in this subsection. The governing bodies must approve a
517 final version of the merger plan within 60 business days after
518 the final hearing.

519 7. After the final public hearing, the governing bodies
520 shall notify the supervisors of elections of the applicable
521 counties in which district lands are located of the adoption of
522 the resolution by each component independent special district.

578-02789A-11

20111120c1

523 The supervisors of elections shall schedule a date for the
524 separate referendums for each district. The referendums may be
525 held in each district on the same day, or on different days, but
526 no more than 20 days apart.

527 a. Notice of a referendum on the merger of the component
528 independent special districts must be provided pursuant to the
529 notice requirements in s. 100.342. At a minimum, the notice must
530 include:

531 (I) A brief summary of the resolution and elector-initiated
532 merger plan;

533 (II) A statement as to where a copy of the resolution and
534 petition for merger may be examined;

535 (III) The names of the component independent special
536 districts to be merged and a description of their territory;

537 (IV) The times and places at which the referendum will be
538 held; and

539 (V) Such other matters as may be necessary to call, provide
540 for, and give notice of the referendum and to provide for the
541 conduct thereof and the canvass of the returns.

542 b. The referendums must be held in accordance to the
543 Florida Election Code and may be held pursuant to ss. 101.6101-
544 101.6107. All costs associated with the referendums shall be
545 borne by the respective component independent special district.

546 c. The ballot question in such referendum placed before the
547 qualified electors of each component independent special
548 district must be in substantially the following form:

549
550 "Shall (...name of component independent special
551 district...) and (...name of component independent special

578-02789A-11

20111120c1

552 district or districts... be merged into (...name of new merged
553 independent district...)?

554 YES

555 NO"

556

557 d. If the component independent special districts proposing
558 to merge have disparate millage rates, the ballot question in
559 such referendum placed before the qualified electors of each
560 component special district must be in substantially the
561 following form:

562

563 "Shall (...name of component independent special
564 district...) and (...name of component independent special
565 district or districts...) be merged into (...name of new merged
566 independent district...), if the voter-approved maximum millage
567 rate within each independent special district will not increase
568 absent a subsequent referendum?

569

570 YES

571 NO"

572

573 e. In any referendum held pursuant to this subsection, the
574 ballots shall be counted, returns made and canvassed, and
575 results certified in the same manner as other elections or
576 referendums for the component independent special districts.

577 f. The merger may not take effect unless a majority of the
578 votes cast in each component independent special district are in
579 favor of the merger. If one of the component independent special
580 districts does not obtain a majority vote, the referendum fails,

578-02789A-11

20111120c1

581 and merger does not take effect.

582 g. If merger is approved by a majority of the votes cast in
583 each component independent special district, the merged district
584 shall notify the Special District Information Program pursuant
585 to s. 189.418(2) and the local general-purpose governments in
586 which any part of the component independent special districts is
587 situated pursuant to s. 189.418(7).

588 h. If the referendum fails, the merger process specified by
589 this paragraph may not be initiated for the same purpose within
590 2 years after the date of the referendum.

591 8. Component independent special districts merged pursuant
592 to an elector-initiated merger plan shall continue to be
593 governed as before the merger until the effective date specified
594 in the adopted elector-initiated merger plan.

595 (d) Effective date.—The effective date of the merger shall
596 be as provided in the joint merger plan or elector-initiated
597 merger plan, as appropriate, and is not contingent upon the
598 future act of the Legislature.

599 1. However, as soon as practicable, the merged independent
600 district shall, at its own expense, submit a unified charter for
601 the merged district to the Legislature for approval. The unified
602 charter must make the powers of the district consistent within
603 the merged independent district and repeal the special acts of
604 the districts which existed before the merger.

605 2. Within 30 business days after the effective date of the
606 merger, the merged independent district's governing board, as
607 indicated in this subsection, shall hold an organizational
608 meeting to implement the provisions of the joint merger plan or
609 elector-initiated merger plan, as appropriate.

578-02789A-11

20111120c1

610 (e) Restrictions during transition period.—Until the
611 Legislature formally approves the unified charter pursuant to a
612 special act, each component independent special district is
613 considered a subunit of the merged independent district subject
614 to the following restrictions:

615 1. During the transition period, the merged independent
616 district is limited in its powers and financing capabilities
617 within each subunit to those powers that existed within the
618 boundaries of each subunit which were previously granted to the
619 component independent special district in its existing charter
620 before the merger. The merged independent district may not,
621 solely by reason of the merger, increase its powers or financing
622 capability.

623 2. During the transition period, the merged independent
624 district shall exercise only the legislative authority to levy
625 and collect revenues within the boundaries of each subunit which
626 was previously granted to the component independent special
627 district by its existing charter before the merger, including
628 the authority to levy ad valorem taxes, non-ad valorem
629 assessments, impact fees, and charges.

630 a. The merged independent district may not, solely by
631 reason of the merger, increase ad valorem taxes on property
632 within the original limits of a subunit beyond the maximum ad
633 valorem rate approved by the electors of the component
634 independent special district. For purposes of s. 2, Art. VII of
635 the State Constitution, each subunit may be considered a
636 separate taxing unit. The merged independent district may levy
637 an ad valorem millage rate within a subunit, if applicable, only
638 up to the millage rate that was previously approved by the

578-02789A-11

20111120c1

639 electors of the component independent special district unless an
640 increase in the millage rate is approved pursuant to state law.

641 b. The merged independent district may not, solely by
642 reason of the merger, charge non-ad valorem assessments, impact
643 fees, or other new fees within a subunit which were not
644 otherwise previously authorized to be charged.

645 3. During the transition period, each component independent
646 special district of the merged independent district must
647 continue to file all information and reports required under this
648 chapter as subunits until the Legislature formally approves the
649 unified charter pursuant to a special act.

650 4. The intent of this section is to preserve and transfer
651 all authority to the merged independent district which exists
652 within each subunit and was previously granted by the
653 Legislature and, if applicable, by referendum.

654 (f) *Effect of merger, generally.*—On and after the effective
655 date of the merger, the merged independent district shall be
656 treated and considered for all purposes as one entity under the
657 name and on the terms and conditions set for in the joint merger
658 plan or elector-initiated merger plan, as appropriate.

659 1. All rights, privileges, and franchises of each component
660 independent special district and all assets, real and personal
661 property, books, records, papers, seals and equipment, as well
662 as other things in action, belonging to each component
663 independent special district before merger, shall be deemed as
664 transferred to and vested in the merged independent district
665 without further act or deed.

666 2. All property, rights-of-way, and other interests are as
667 effectually the property of the merged independent district as

578-02789A-11

20111120c1

668 they were of the component independent special district before
669 the merger. The title to real estate, by deed or otherwise,
670 under the laws of this state vested in any component independent
671 special district before the merger, may not be deemed to revert
672 or be in any way impaired by reason of the merger.

673 3. The merged independent district is in all respects
674 subject to all obligations and liabilities imposed and possess
675 all the rights, powers, and privileges vested by law in other
676 similar entities.

677 4. Upon the effective date of the merger, the joint merger
678 plan or elector-initiated merger plan, as appropriate, is
679 subordinate in all respects to the contract rights of all
680 holders of any securities or obligations of the component
681 independent special districts outstanding at the effective date
682 of the merger.

683 5. The new registration of electors is not necessary as a
684 result of the merger, but all elector registrations of the
685 component independent special districts shall be transferred to
686 the proper registration books of the merged independent
687 district, and new registrations shall be made as provided by law
688 as if no merger had taken place.

689 (g) Governing board of merged independent district.-

690 1. From the effective date of the merger until the next
691 general election, the governing board of the merged independent
692 district shall be comprised of the governing board members of
693 each component independent special district, with such members
694 serving until the governing board members elected at the next
695 general election take office.

696 2. Beginning with the next general election following the

578-02789A-11

20111120c1

697 effective date of merger, the governing board of the merged
698 independent district shall be comprised of five members. The
699 office of each governing board member shall be designated by
700 seat, which shall be distinguished from other board member seats
701 by an assigned numeral: 1, 2, 3, 4, or 5. The governing board
702 members that are elected in this initial election following the
703 merger shall serve unequal terms of 2 and 4 years in order to
704 create staggered membership of the governing board, with:

705 a. Board member seats 1, 3, and 5 being designated for 4-
706 year terms; and

707 b. Board member seats 2 and 4 being designated for 2-year
708 terms.

709 3. In general elections thereafter, all governing board
710 members shall serve 4-year terms.

711 (h) Effect on employees.—Except as otherwise provided by
712 law and except for those officials and employees protected by
713 tenure of office, civil service provisions, or a collective
714 bargaining agreement, upon the effective date of merger, all
715 appointive offices and positions existing in all component
716 independent special districts involved in the merger are subject
717 to the terms of the joint merger plan or elector-initiated
718 merger plan, as appropriate. Such plan may provide for instances
719 in which there are duplications of positions, and for other
720 matters such as varying lengths of employee contracts, varying
721 pay levels or benefits, different civil service regulations in
722 the constituent entities, and differing ranks and position
723 classifications for similar positions. For those employees who
724 are members of a bargaining unit certified by the Public
725 Employees Relations Commission, the requirements of chapter 447

578-02789A-11

20111120c1

726 apply.

727 (i) Debts, liabilities, and obligations.-

728 1. All valid and lawful debts and liabilities existing
729 against a merged independent district, or which may arise or
730 accrue against the merged independent district, which but for
731 merger would be valid and lawful debts or liabilities against
732 one or more of the component independent special districts, are
733 debts against or liabilities of the merged independent district
734 and accordingly shall be defrayed and answered to by the merged
735 independent district to the same extent, and no further than,
736 the component independent special districts would have been
737 bound if a merger had not taken place.

738 2. The rights of creditors and all liens upon the property
739 of any of the component independent special districts shall be
740 preserved unimpaired. The respective component districts shall
741 be deemed to continue in existence to preserve such rights and
742 liens, and all debts, liabilities, and duties of any of the
743 component districts attach to the merged independent district.

744 3. All bonds, contracts, and obligations of the component
745 independent special districts which exist as legal obligations
746 are obligations of the merged independent district, and all such
747 obligations shall be issued or entered into by and in the name
748 of the merged independent district.

749 (j) Effect on actions and proceedings.-In any action or
750 proceeding pending on the effective date of merger to which a
751 component independent special district is a party, the merged
752 independent district may be substituted in its place, and the
753 action or proceeding may be prosecuted to judgment as if merger
754 had not taken place. Suits may be brought and maintained against

578-02789A-11

20111120c1

755 a merged independent district in any state court in the same
756 manner as against any other independent special district.

757 (k) Annexation.—Chapter 171 continues to apply to all
758 annexations by a city within the component independent special
759 districts' boundaries after merger occurs. Any moneys owed to a
760 component district pursuant to s. 171.093, or any interlocal
761 service boundary agreement as a result of annexation predating
762 the merger, shall be paid to the merged independent district
763 after merger.

764 (l) Determination of rights.—If any right, title, interest,
765 or claim arises out of a merger or by reason thereof which is
766 not determinable by reference to the provisions in this
767 subsection, the joint merger plan or elector-initiated merger
768 plan, as appropriate, or otherwise under the laws of this state,
769 the governing body of the merged independent district may
770 provide therefor in a manner conforming to law.

771 (m) Exemption.—This subsection does not apply to
772 independent special districts whose governing bodies are elected
773 by district landowners voting the acreage owned within the
774 district.

775 (n) Preemption.—This subsection preempts any special act to
776 the contrary.

777 (6) INVOLUNTARY MERGER OF INDEPENDENT SPECIAL DISTRICTS.—If
778 a local general-purpose government seeks to merge an active
779 independent special district or districts created and operating
780 pursuant to a special act whose board or boards object by
781 resolution to the merger, the merger of the active independent
782 special district or districts is not effective until the special
783 act of the Legislature is approved at separate referenda of the

578-02789A-11

20111120c1

784 impacted local governments by a majority of the resident
785 electors or landowners voting in the same manner by which each
786 independent special district's governing board is elected. The
787 special act shall include a plan of merger that addresses
788 transition issues such as the effective date of the merger,
789 governance, administration, powers, pensions, and assumption of
790 all assets and liabilities.

791 (a) The political subdivisions proposing the involuntary
792 merger of an active independent special district shall be
793 responsible for payment of any expenses associated with the
794 referendum required under this subsection.

795 (b) Independent special districts that meet any criteria
796 for being declared inactive, or that have already been declared
797 inactive, pursuant to s. 189.4044 may be merged by special act
798 without a referendum.

799 (7) ~~(3)~~ EXEMPTIONS. ~~The provisions of~~ This section does
800 shall not apply to community development districts implemented
801 pursuant to chapter 190 or to water management districts created
802 and operated pursuant to chapter 373.

803 Section 2. Section 191.014, Florida Statutes, is amended to
804 read:

805 191.014 District creation and, ~~expansion, and merger.~~

806 (1) New districts may be created only by the Legislature
807 under s. 189.404.

808 (2) The boundaries of a district may be modified, extended,
809 or enlarged upon approval or ratification by the Legislature.

810 ~~(3) The merger of a district with all or portions of other~~
811 ~~independent special districts or dependent fire control~~
812 ~~districts is effective only upon ratification by the~~

578-02789A-11

20111120c1

813 ~~Legislature. A district may not, solely by reason of a merger~~
814 ~~with another governmental entity, increase ad valorem taxes on~~
815 ~~property within the original limits of the district beyond the~~
816 ~~maximum established by the district's enabling legislation,~~
817 ~~unless approved by the electors of the district by referendum.~~

818 Section 3. Paragraph (a) of subsection (1) and subsection
819 (4) of section 189.4044, Florida Statutes, are amended to read:

820 189.4044 Special procedures for inactive districts.-

821 (1) The department shall declare inactive any special
822 district in this state by documenting that:

823 (a) The special district meets one of the following
824 criteria:

825 1. The registered agent of the district, the chair of the
826 governing body of the district, or the governing body of the
827 appropriate local general-purpose government notifies the
828 department in writing that the district has taken no action for
829 2 or more years;

830 2. Following an inquiry from the department, the registered
831 agent of the district, the chair of the governing body of the
832 district, or the governing body of the appropriate local
833 general-purpose government notifies the department in writing
834 that the district has not had a governing board or a sufficient
835 number of governing board members to constitute a quorum for 2
836 or more years or the registered agent of the district, the chair
837 of the governing body of the district, or the governing body of
838 the appropriate local general-purpose government fails to
839 respond to the department's inquiry within 21 days; or

840 3. The department determines, pursuant to s. 189.421, that
841 the district has failed to file any of the reports listed in s.

578-02789A-11

20111120c1

842 189.419.

843 4. The governing body of a special district provides
844 documentation to the Department that it has unanimously adopted
845 a resolution declaring the special district inactive. The
846 special district shall be responsible for payment of any
847 expenses associated with its dissolution.

848 (4) The entity that created a special district declared
849 inactive under this section must dissolve the special district
850 by repealing its enabling laws or by other appropriate means.
851 Any special district declared inactive pursuant to subparagraph
852 (1)(a)4., may be dissolved without a referendum.

853 Section 4. This act shall take effect July 1, 2011.