

1 A bill to be entitled
2 An act relating to special districts; amending s.
3 189.4042, F.S.; revising provisions relating to merger and
4 dissolution procedures for special districts; providing
5 definitions; requiring the merger or dissolution of
6 dependent special districts created by a special act to be
7 effectuated by the Legislature; providing for the merger
8 or dissolution of inactive special districts by special
9 act without referenda; requiring involuntary dissolution
10 procedures for independent special districts to include
11 referenda; providing for the dissolution of inactive
12 independent special districts by special act; providing
13 for local governments to assume indebtedness of, and
14 receive title to property owned by, special districts
15 under certain circumstances; providing for the merger of
16 certain independent special districts by the Legislature;
17 providing procedures and requirements for the voluntary
18 merger of contiguous independent special districts;
19 limiting the authority of the merged district to levy and
20 collect revenue until a unified charter is approved by the
21 Legislature; providing for the effect of the merger on
22 employees, legal liabilities, obligations, proceedings,
23 and annexation; providing for the determination of certain
24 rights by the governing body of the merged district;
25 providing that such provisions preempt certain special
26 acts; providing procedures and requirements for the
27 involuntary merger of independent special districts;
28 providing exemptions from merger and dissolution

29 | procedures; amending s. 191.014, F.S.; deleting a
 30 | provision relating to the conditions under which the
 31 | merger of independent special districts or dependent fire
 32 | control districts with other special districts is
 33 | effective and the conditions under which a merged district
 34 | is authorized to increase ad valorem taxes; amending s.
 35 | 189.4044, F.S.; revising criteria by which special
 36 | districts are declared inactive by a governing body;
 37 | authorizing such districts to be dissolved without a
 38 | referendum; providing an effective date.

39 |

40 | Be It Enacted by the Legislature of the State of Florida:

41 |

42 | Section 1. Section 189.4042, Florida Statutes, is amended
 43 | to read:

44 | 189.4042 Merger and dissolution procedures.—

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

46 | (a) "Component independent special district" means an
 47 | independent special district that proposes to be merged into a
 48 | merged independent district, or an independent special district
 49 | as it existed before its merger into the merged independent
 50 | district of which it is now a part.

51 | (b) "Elector-initiated merger plan" means the merger plan
 52 | of two or more independent special districts, a majority of
 53 | whose qualified electors have elected to merge, which outlines
 54 | the terms and agreements for the official merger of the
 55 | districts and is finalized and approved by the governing bodies
 56 | of the districts pursuant to this section.

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

62 (d) "Initiative" means the filing of a petition containing
63 a proposal for a referendum to be placed on the ballot for
64 election.

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

71 (f) "Merged independent district" means a single
72 independent special district that results from a successful
73 merger of two or more independent special districts pursuant to
74 this section.

75 (g) "Merger" means the combination of two or more
76 contiguous independent special districts resulting in a newly
77 created merged independent district that assumes jurisdiction
78 over all of the component independent special districts.

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

82 (i) "Proposed elector-initiated merger plan" means a
83 written document that contains the terms and information
84 regarding the merger of two or more independent special

85 districts and that accompanies the petition initiated by the
 86 qualified electors of the districts but that is not yet
 87 finalized and approved by the governing bodies of each component
 88 independent special district pursuant to this section.

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

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

102 (2) ~~(1)~~ MERGER OR DISSOLUTION OF A DEPENDENT SPECIAL
 103 DISTRICT.—

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

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

113 effectuated only by further act of the Legislature unless
 114 otherwise provided by general law.

115 (c) A dependent special district that meets any criteria
 116 for being declared inactive, or that has already been declared
 117 inactive, pursuant to s. 189.4044 may be dissolved or merged by
 118 special act without a referendum.

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

123 (3) ~~(2)~~ DISSOLUTION OF AN INDEPENDENT SPECIAL DISTRICT.—

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

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

141 the involuntary dissolution of an active independent special
 142 district shall be responsible for payment of any expenses
 143 associated with the referendum required under this paragraph.

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

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

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

167 (5) VOLUNTARY MERGER OF INDEPENDENT SPECIAL DISTRICTS.—Two
 168 or more contiguous independent special districts created by

169 special act which have similar functions and elected governing
170 bodies may elect to merge into a single independent district
171 through the act of merging the component independent special
172 districts.

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

174 1. A joint resolution of the governing bodies of each
175 independent special district which endorses a proposed joint
176 merger plan; or

177 2. A qualified elector initiative.

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

183 1. The proposed joint merger plan must specify:

184 a. The name of each component independent special district
185 to be merged;

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

187 c. The rights, duties, and obligations of the proposed
188 merged independent district;

189 d. The territorial boundaries of the proposed merged
190 independent district;

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

196 f. A fiscal estimate of the potential cost or savings as a

197 result of the merger;

198 g. Each component independent special district's assets,
199 including, but not limited to, real and personal property, and
200 the current value thereof;

201 h. Each component independent special district's
202 liabilities and indebtedness, bonded and otherwise, and the
203 current value thereof;

204 i. Terms for the assumption and disposition of existing
205 assets, liabilities, and indebtedness of each component
206 independent special district jointly, separately, or in defined
207 proportions;

208 j. Terms for the common administration and uniform
209 enforcement of existing laws within the proposed merged
210 independent district;

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

213 1. The times and places for a referendum in each component
214 independent special district on the proposed joint merger plan,
215 along with the referendum language to be presented for approval;
216 and

217 m. The effective date of the proposed merger.

218 2. The resolution endorsing the proposed joint merger plan
219 must be approved by a majority vote of the governing bodies of
220 each component independent special district and adopted at least
221 60 business days before any general or special election on the
222 proposed joint merger plan.

223 3. Within 5 business days after the governing bodies
224 approve the resolution endorsing the proposed joint merger plan,

225 the governing bodies must:

226 a. Cause a copy of the proposed joint merger plan, along
227 with a descriptive summary of the plan, to be displayed and be
228 readily accessible to the public for inspection in at least
229 three public places within the territorial limits of each
230 component independent special district, unless a component
231 independent special district has fewer than three public places,
232 in which case the plan must be accessible for inspection in all
233 public places within the component independent special district;

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

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

247 4. The governing body of each component independent
248 special district shall set a time and place for one or more
249 public hearings on the proposed joint merger plan. Each public
250 hearing shall be held on a weekday at least 7 business days
251 after the day the first advertisement is published on the
252 proposed joint merger plan. The hearing or hearings may be held

253 jointly or separately by the governing bodies of the component
254 independent special districts. Any interested person residing in
255 the respective district shall be given a reasonable opportunity
256 to be heard on any aspect of the proposed merger at the public
257 hearing.

258 a. Notice of the public hearing addressing the resolution
259 for the proposed joint merger plan must be published pursuant to
260 the notice requirements in s. 189.417 and must provide a
261 descriptive summary of the proposed joint merger plan and a
262 reference to the public places within the component independent
263 special districts where a copy of the plan may be examined.

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

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

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

285 (I) A brief summary of the resolution and joint merger
286 plan;

287 (II) A statement as to where a copy of the resolution and
288 joint merger plan may be examined;

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

291 (IV) The times and places at which the referendum will be
292 held; and

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

296 b. The referenda must be held in accordance with the
297 Florida Election Code and may be held pursuant to ss. 101.6101-
298 101.6107. All costs associated with the referenda shall be borne
299 by the respective component independent special district.

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

304
305 "Shall (...name of component independent special
306 district...) and (...name of component independent special
307 district or districts...) be merged into (...name of newly
308 merged independent district...)?

309 YES

310 NO"

311

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

317

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

324 YES

325 NO"

326

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

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

336 g. If the merger is approved by a majority of the votes

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

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

347 6. Component independent special districts merged pursuant
348 to a joint merger plan by resolution shall continue to be
349 governed as before the merger until the effective date specified
350 in the adopted joint merger plan.

351 (c) Qualified elector-initiated merger plan.—The qualified
352 electors of two or more contiguous independent special districts
353 may commence a merger proceeding by each filing a petition with
354 the governing body of their respective independent special
355 district proposing to be merged. The petition must contain the
356 signatures of at least 40 percent of the qualified electors of
357 each component independent special district and must be
358 submitted to the appropriate component independent special
359 district governing body no later than 1 year after the start of
360 the qualified elector-initiated merger process.

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

363

364 PETITION FOR INDEPENDENT SPECIAL DISTRICT MERGER

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

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

378
 379 Date Name (print under signature) Home Address

380 _____
 381 _____

382
 383 2. The petition must be validated by a signed statement by
 384 a witness who is a duly qualified elector of one of the
 385 component independent special districts, a notary public, or
 386 another person authorized to take acknowledgements.

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

391
 392 "I, (...name of witness...), state that I am a duly

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

401
 402 Date Signature of Witness

403
 404 b. A statement that is signed by a notary public or
 405 another person authorized to take acknowledgements must be in
 406 substantially the following form:

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

415
 416 Date Signature of Witness

417
 418 c. An alteration or correction of information appearing on
 419 a petition's signature line, other than an uninitialed signature
 420 and date, does not invalidate such signature. In matters of

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421 form, this paragraph shall be liberally construed, not
422 inconsistent with substantial compliance thereto and the
423 prevention of fraud.

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

432 3. Upon verification by the supervisors of elections of
433 the counties within which component independent special district
434 lands are located that 40 percent of the qualified electors have
435 petitioned for merger and that all such petitions have been
436 executed within 1 year after the date of the initiation of the
437 qualified-electoral merger process, the governing bodies of each
438 component independent special district shall meet within 30
439 business days to prepare and approve by resolution a proposed
440 electoral-initiated merger plan. The proposed plan must include:

441 a. The name of each component independent special district
442 to be merged;

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

444 c. The rights, duties, and obligations of the merged
445 independent district;

446 d. The territorial boundaries of the proposed merged
447 independent district;

448 e. The governmental organization of the proposed merged

449 independent district insofar as it concerns elected and
450 appointed officials and public employees, along with a
451 transitional plan and schedule for elections and appointments of
452 officials;

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

455 g. Each component independent special district's assets,
456 including, but not limited to, real and personal property, and
457 the current value thereof;

458 h. Each component independent special district's
459 liabilities and indebtedness, bonded and otherwise, and the
460 current value thereof;

461 i. Terms for the assumption and disposition of existing
462 assets, liabilities, and indebtedness of each component
463 independent special district, jointly, separately, or in defined
464 proportions;

465 j. Terms for the common administration and uniform
466 enforcement of existing laws within the proposed merged
467 independent district;

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

470 1. The effective date of the proposed merger.

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

476 5. Within 5 business days after the governing bodies of

477 each component independent special district approve the proposed
478 elector-initiated merger plan, the governing bodies shall:

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

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

494 c. Arrange for a descriptive summary of the proposed
495 elector-initiated merger plan, and a reference to the public
496 places within the district where a copy may be examined, to be
497 published in a newspaper of general circulation within the
498 component independent special districts at least once each week
499 for 4 successive weeks.

500 6. The governing body of each component independent
501 special district shall set a time and place for one or more
502 public hearings on the proposed elector-initiated merger plan.
503 Each public hearing shall be held on a weekday at least 7
504 business days after the day the first advertisement is published

505 on the proposed elector-initiated merger plan. The hearing or
506 hearings may be held jointly or separately by the governing
507 bodies of the component independent special districts. Any
508 interested person residing in the respective district shall be
509 given a reasonable opportunity to be heard on any aspect of the
510 proposed merger at the public hearing.

511 a. Notice of the public hearing on the proposed elector-
512 initiated merger plan must be published pursuant to the notice
513 requirements in s. 189.417 and must provide a descriptive
514 summary of the elector-initiated merger plan and a reference to
515 the public places within the component independent special
516 districts where a copy of the plan may be examined.

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

524 7. After the final public hearing, the governing bodies
525 shall notify the supervisors of elections of the applicable
526 counties in which district lands are located of the adoption of
527 the resolution by each governing body. The supervisors of
528 elections shall schedule a date for the separate referenda for
529 each district. The referenda may be held in each district on the
530 same day, or on different days, but no more than 20 days apart.

531 a. Notice of a referendum on the merger of the component
532 independent special districts must be provided pursuant to the

533 notice requirements in s. 100.342. At a minimum, the notice must
 534 include:

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

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

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

541 (IV) The times and places at which the referendum will be
 542 held; and

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

546 b. The referenda must be held in accordance with the
 547 Florida Election Code and may be held pursuant to ss. 101.6101-
 548 101.6107. All costs associated with the referenda shall be borne
 549 by the respective component independent special district.

550 c. The ballot question in such referendum placed before
 551 the qualified electors of each component independent special
 552 district to be merged must be in substantially the following
 553 form:

554
 555 "Shall (...name of component independent special
 556 district...) and (...name of component independent special
 557 district or districts...) be merged into (...name of newly
 558 merged independent district...)?

559 YES

560 NO"

561
562 d. If the component independent special districts
563 proposing to merge have disparate millage rates, the ballot
564 question in the referendum placed before the qualified electors
565 of each component independent special district must be in
566 substantially the following form:

567
568 "Shall (...name of component independent special
569 district...) and (...name of component independent special
570 district or districts...) be merged into (...name of newly
571 merged independent district...) if the voter-approved maximum
572 millage rate within each independent special district will not
573 increase absent a subsequent referendum?

574 YES

575 NO"

576
577 e. In any referendum held pursuant to this subsection, the
578 ballots shall be counted, returns made and canvassed, and
579 results certified in the same manner as other elections or
580 referenda for the component independent special districts.

581 f. The merger may not take effect unless a majority of the
582 votes cast in each component independent special district are in
583 favor of the merger. If one of the component independent special
584 districts does not obtain a majority vote, the referendum fails,
585 and merger does not take effect.

586 g. If the merger is approved by a majority of the votes
587 cast in each component independent special district, the merged
588 district shall notify the Special District Information Program

589 pursuant to s. 189.418(2) and the local general-purpose
 590 governments in which any part of the component independent
 591 special districts is situated pursuant to s. 189.418(7).

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

595 8. Component independent special districts merged pursuant
 596 to an elector-initiated merger plan shall continue to be
 597 governed as before the merger until the effective date specified
 598 in the adopted elector-initiated merger plan.

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

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

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

614 (e) Restrictions during transition period.—Until the
 615 Legislature formally approves the unified charter pursuant to a
 616 special act, each component independent special district is

617 considered a subunit of the merged independent district subject
618 to the following restrictions:

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

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

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

645 law.

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

650 3. During the transition period, each component
651 independent special district of the merged independent district
652 must continue to file all information and reports required under
653 this chapter as subunits until the Legislature formally approves
654 the unified charter pursuant to a special act.

655 4. The intent of this section is to preserve and transfer
656 to the merged independent district all authority that exists
657 within each subunit and was previously granted by the
658 Legislature and, if applicable, by referendum.

659 (f) Effect of merger, generally.—On and after the
660 effective date of the merger, the merged independent district
661 shall be treated and considered for all purposes as one entity
662 under the name and on the terms and conditions set forth in the
663 joint merger plan or elector-initiated merger plan, as
664 appropriate.

665 1. All rights, privileges, and franchises of each
666 component independent special district and all assets, real and
667 personal property, books, records, papers, seals, and equipment,
668 as well as other things in action, belonging to each component
669 independent special district before the merger shall be deemed
670 as transferred to and vested in the merged independent district
671 without further act or deed.

672 2. All property, rights-of-way, and other interests are as

673 effectually the property of the merged independent district as
 674 they were of the component independent special district before
 675 the merger. The title to real estate, by deed or otherwise,
 676 under the laws of this state vested in any component independent
 677 special district before the merger may not be deemed to revert
 678 or be in any way impaired by reason of the merger.

679 3. The merged independent district is in all respects
 680 subject to all obligations and liabilities imposed and possesses
 681 all the rights, powers, and privileges vested by law in other
 682 similar entities.

683 4. Upon the effective date of the merger, the joint merger
 684 plan or elector-initiated merger plan, as appropriate, is
 685 subordinate in all respects to the contract rights of all
 686 holders of any securities or obligations of the component
 687 independent special districts outstanding at the effective date
 688 of the merger.

689 5. The new registration of electors is not necessary as a
 690 result of the merger, but all elector registrations of the
 691 component independent special districts shall be transferred to
 692 the proper registration books of the merged independent
 693 district, and new registrations shall be made as provided by law
 694 as if no merger had taken place.

695 (g) Governing body of merged independent district.-

696 1. From the effective date of the merger until the next
 697 general election, the governing body of the merged independent
 698 district shall be comprised of the governing body members of
 699 each component independent special district, with such members
 700 serving until the governing body members elected at the next

701 general election take office.

702 2. Beginning with the next general election following the
703 effective date of merger, the governing body of the merged
704 independent district shall be comprised of five members. The
705 office of each governing body member shall be designated by
706 seat, which shall be distinguished from other body member seats
707 by an assigned numeral: 1, 2, 3, 4, or 5. The governing body
708 members that are elected in this initial election following the
709 merger shall serve unequal terms of 2 and 4 years in order to
710 create staggered membership of the governing body, with:

711 a. Member seats 1, 3, and 5 being designated for 4-year
712 terms; and

713 b. Member seats 2 and 4 being designated for 2-year terms.

714 3. In general elections thereafter, all governing body
715 members shall serve 4-year terms.

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

729 are members of a bargaining unit certified by the Public
730 Employees Relations Commission, the requirements of chapter 447
731 apply.

732 (i) Effect on debts, liabilities, and obligations.—

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

743 2. The rights of creditors and all liens upon the property
744 of any of the component independent special districts shall be
745 preserved unimpaired. The respective component districts shall
746 be deemed to continue in existence to preserve such rights and
747 liens, and all debts, liabilities, and duties of any of the
748 component districts attach to the merged independent district.

749 3. All bonds, contracts, and obligations of the component
750 independent special districts which exist as legal obligations
751 are obligations of the merged independent district, and all such
752 obligations shall be issued or entered into by and in the name
753 of the merged independent district.

754 (j) Effect on actions and proceedings.—In any action or
755 proceeding pending on the effective date of merger to which a
756 component independent special district is a party, the merged

757 independent district may be substituted in its place, and the
 758 action or proceeding may be prosecuted to judgment as if merger
 759 had not taken place. Suits may be brought and maintained against
 760 a merged independent district in any state court in the same
 761 manner as against any other independent special district.

762 (k) Effect on annexation.—Chapter 171 continues to apply
 763 to all annexations by a city within the component independent
 764 special districts' boundaries after merger occurs. Any moneys
 765 owed to a component independent special district pursuant to s.
 766 171.093, or any interlocal service boundary agreement as a
 767 result of annexation predating the merger, shall be paid to the
 768 merged independent district after merger.

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

776 (m) Exemption.—This subsection does not apply to
 777 independent special districts whose governing bodies are elected
 778 by district landowners voting the acreage owned within the
 779 district.

780 (n) Preemption.—This subsection preempts any special act
 781 to the contrary.

782 (6) INVOLUNTARY MERGER OF INDEPENDENT SPECIAL DISTRICTS.—
 783 If a local general-purpose government seeks to merge an active
 784 independent special district or districts created and operating

785 pursuant to a special act whose governing body or governing
 786 bodies object by resolution to the merger, the merger of the
 787 active independent special district or districts is not
 788 effective until the special act of the Legislature is approved
 789 at separate referenda of the impacted local governments by a
 790 majority of the resident electors or landowners voting in the
 791 same manner by which each independent special district's
 792 governing body is elected. The special act shall include a plan
 793 of merger that addresses transition issues such as the effective
 794 date of the merger, governance, administration, powers,
 795 pensions, and assumption of all assets and liabilities.

796 (a) The political subdivisions proposing the involuntary
 797 merger of an active independent special district shall be
 798 responsible for payment of any expenses associated with the
 799 referendum required under this subsection.

800 (b) An independent special district that meets any
 801 criteria for being declared inactive, or that has already been
 802 declared inactive, pursuant to s. 189.4044 may be merged by
 803 special act without a referendum.

804 (7)(3) EXEMPTIONS. ~~The provisions of This section does~~
 805 ~~shall~~ not apply to community development districts implemented
 806 pursuant to chapter 190 or to water management districts created
 807 and operated pursuant to chapter 373.

808 Section 2. Section 191.014, Florida Statutes, is amended
 809 to read:

810 191.014 District creation and, expansion, ~~and merger.~~

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

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

816 ~~(3) The merger of a district with all or portions of other~~
 817 ~~independent special districts or dependent fire control~~
 818 ~~districts is effective only upon ratification by the~~
 819 ~~Legislature. A district may not, solely by reason of a merger~~
 820 ~~with another governmental entity, increase ad valorem taxes on~~
 821 ~~property within the original limits of the district beyond the~~
 822 ~~maximum established by the district's enabling legislation,~~
 823 ~~unless approved by the electors of the district by referendum.~~

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

826 189.4044 Special procedures for inactive districts.—

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

829 (a) The special district meets one of the following
 830 criteria:

831 1. The registered agent of the district, the chair of the
 832 governing body of the district, or the governing body of the
 833 appropriate local general-purpose government notifies the
 834 department in writing that the district has taken no action for
 835 2 or more years;

836 2. Following an inquiry from the department, the
 837 registered agent of the district, the chair of the governing
 838 body of the district, or the governing body of the appropriate
 839 local general-purpose government notifies the department in
 840 writing that the district has not had a governing board or a

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841 sufficient number of governing board members to constitute a
 842 quorum for 2 or more years or the registered agent of the
 843 district, the chair of the governing body of the district, or
 844 the governing body of the appropriate local general-purpose
 845 government fails to respond to the department's inquiry within
 846 21 days; ~~or~~

847 3. The department determines, pursuant to s. 189.421, that
 848 the district has failed to file any of the reports listed in s.
 849 189.419; or

850 4. The governing body of a special district provides
 851 documentation to the department that it has unanimously adopted
 852 a resolution declaring the special district inactive. The
 853 special district shall be responsible for payment of any
 854 expenses associated with its dissolution.

855 (4) The entity that created a special district declared
 856 inactive under this section must dissolve the special district
 857 by repealing its enabling laws or by other appropriate means.
 858 Any special district declared inactive pursuant to subparagraph
 859 (1) (a) 4. may be dissolved without a referendum.

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