

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

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

41 |

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

43 |

44 | Section 1. Section 189.4042, Florida Statutes, is amended  
 45 | to read:

46 | 189.4042 Merger and dissolution procedures.—

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

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

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

57 districts and is finalized and approved by the governing bodies  
58 of the districts pursuant to this section.

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

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

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

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

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

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

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

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

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

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

104 (2)(1) MERGER OR DISSOLUTION OF A DEPENDENT SPECIAL  
 105 DISTRICT.—

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

113 (b) The merger or dissolution of a dependent special  
 114 district created and operating pursuant to a special act may be  
 115 effectuated only by further act of the Legislature unless  
 116 otherwise provided by general law.

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

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

125 (3) ~~(2)~~ DISSOLUTION OF AN INDEPENDENT SPECIAL DISTRICT.—

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

131 (b) Involuntary dissolution.—

132 1. If the Legislature or a local general-purpose  
 133 government seeks to dissolve an active independent special  
 134 district created and operating pursuant to a special act whose  
 135 governing body objects by resolution to the dissolution, the  
 136 dissolution of the active independent special district is not  
 137 effective until a special act of the Legislature is approved by  
 138 a majority of the resident electors of the district or  
 139 landowners voting in the same manner by which the independent  
 140 special district's governing body is elected. This subparagraph

141 also applies if an independent special district's governing body  
 142 elects to dissolve the district by less than a supermajority  
 143 vote of the governing body. The political subdivisions proposing  
 144 the involuntary dissolution of an active independent special  
 145 district shall be responsible for payment of any expenses  
 146 associated with the referendum required under this subparagraph.

147 2. If an independent special district was created by a  
 148 county or municipality by referendum or any other procedure, the  
 149 county or municipality that created the district may dissolve  
 150 the district pursuant to a referendum or any other procedure by  
 151 which the independent special district was created. However, if  
 152 the independent special district has ad valorem taxation powers,  
 153 the same procedure required to grant the independent special  
 154 district ad valorem taxation powers is required to dissolve the  
 155 district.

156 (c) Inactive independent special districts.—An independent  
 157 special district that meets any criteria for being declared  
 158 inactive, or that has already been declared inactive, pursuant  
 159 to s. 189.4044 may be dissolved by special act without a  
 160 referendum. If an inactive independent special district was  
 161 created by a county or municipality through a referendum, the  
 162 county or municipality that created the district may dissolve  
 163 the district after publishing notice as described in s.  
 164 189.4044. ~~If an independent district was created by a county or~~  
 165 ~~municipality by referendum or any other procedure, the county or~~  
 166 ~~municipality that created the district may merge or dissolve the~~  
 167 ~~district pursuant to the same procedure by which the independent~~  
 168 ~~district was created. However, for any independent district that~~

169 ~~has ad valorem taxation powers, the same procedure required to~~  
 170 ~~grant such independent district ad valorem taxation powers shall~~  
 171 ~~also be required to dissolve or merge the district.~~

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

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

178 (5) VOLUNTARY MERGER OF INDEPENDENT SPECIAL DISTRICTS.—Two  
 179 or more contiguous independent special districts created by  
 180 special act which have similar functions and elected governing  
 181 bodies may elect to merge into a single independent district  
 182 through the act of merging the component independent special  
 183 districts.

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

185 1. A joint resolution of the governing bodies of each  
 186 independent special district which endorses a proposed joint  
 187 merger plan; or

188 2. A qualified elector initiative.

189 (b) Joint merger plan by resolution.—The governing bodies  
 190 of two or more contiguous independent special districts may, by  
 191 joint resolution, endorse a proposed joint merger plan to  
 192 commence proceedings to merge the districts pursuant to this  
 193 subsection.

194 1. The proposed joint merger plan must specify:

195 a. The name of each component independent special district  
 196 to be merged;

- 197        b. The name of the proposed merged independent district;
- 198        c. The rights, duties, and obligations of the proposed
- 199 merged independent district;
- 200        d. The territorial boundaries of the proposed merged
- 201 independent district;
- 202        e. The governmental organization of the proposed merged
- 203 independent district insofar as it concerns elected and
- 204 appointed officials and public employees, along with a
- 205 transitional plan and schedule for elections and appointments of
- 206 officials;
- 207        f. A fiscal estimate of the potential cost or savings as a
- 208 result of the merger;
- 209        g. Each component independent special district's assets,
- 210 including, but not limited to, real and personal property, and
- 211 the current value thereof;
- 212        h. Each component independent special district's
- 213 liabilities and indebtedness, bonded and otherwise, and the
- 214 current value thereof;
- 215        i. Terms for the assumption and disposition of existing
- 216 assets, liabilities, and indebtedness of each component
- 217 independent special district jointly, separately, or in defined
- 218 proportions;
- 219        j. Terms for the common administration and uniform
- 220 enforcement of existing laws within the proposed merged
- 221 independent district;
- 222        k. The times and places for public hearings on the
- 223 proposed joint merger plan;
- 224        l. The times and places for a referendum in each component



225 independent special district on the proposed joint merger plan,  
 226 along with the referendum language to be presented for approval;  
 227 and

228 m. The effective date of the proposed merger.

229 2. The resolution endorsing the proposed joint merger plan  
 230 must be approved by a majority vote of the governing bodies of  
 231 each component independent special district and adopted at least  
 232 60 business days before any general or special election on the  
 233 proposed joint merger plan.

234 3. Within 5 business days after the governing bodies  
 235 approve the resolution endorsing the proposed joint merger plan,  
 236 the governing bodies must:

237 a. Cause a copy of the proposed joint merger plan, along  
 238 with a descriptive summary of the plan, to be displayed and be  
 239 readily accessible to the public for inspection in at least  
 240 three public places within the territorial limits of each  
 241 component independent special district, unless a component  
 242 independent special district has fewer than three public places,  
 243 in which case the plan must be accessible for inspection in all  
 244 public places within the component independent special district;

245 b. If applicable, cause the proposed joint merger plan,  
 246 along with a descriptive summary of the plan and a reference to  
 247 the public places within each component independent special  
 248 district where a copy of the merger plan may be examined, to be  
 249 displayed on a website maintained by each district or on a  
 250 website maintained by the county or municipality in which the  
 251 districts are located; and

252 c. Arrange for a descriptive summary of the proposed joint

253 merger plan, and a reference to the public places within the  
254 district where a copy may be examined, to be published in a  
255 newspaper of general circulation within the component  
256 independent special districts at least once each week for 4  
257 successive weeks.

258 4. The governing body of each component independent  
259 special district shall set a time and place for one or more  
260 public hearings on the proposed joint merger plan. Each public  
261 hearing shall be held on a weekday at least 7 business days  
262 after the day the first advertisement is published on the  
263 proposed joint merger plan. The hearing or hearings may be held  
264 jointly or separately by the governing bodies of the component  
265 independent special districts. Any interested person residing in  
266 the respective district shall be given a reasonable opportunity  
267 to be heard on any aspect of the proposed merger at the public  
268 hearing.

269 a. Notice of the public hearing addressing the resolution  
270 for the proposed joint merger plan must be published pursuant to  
271 the notice requirements in s. 189.417 and must provide a  
272 descriptive summary of the proposed joint merger plan and a  
273 reference to the public places within the component independent  
274 special districts where a copy of the plan may be examined.

275 b. After the final public hearing, the governing bodies of  
276 each component independent special district may amend the  
277 proposed joint merger plan if the amended version complies with  
278 the notice and public hearing requirements provided in this  
279 subsection. Thereafter, the governing bodies may approve a final  
280 version of the joint merger plan or decline to proceed further

281 with the merger. Approval by the governing bodies of the final  
 282 version of the joint merger plan must occur within 60 business  
 283 days after the final hearing.

284 5. After the final public hearing, the governing bodies  
 285 shall notify the supervisors of elections of the applicable  
 286 counties in which district lands are located of the adoption of  
 287 the resolution by each governing body. The supervisors of  
 288 elections shall schedule a separate referendum for each  
 289 component independent special district. The referenda may be  
 290 held in each district on the same day, or on different days, but  
 291 no more than 20 days apart.

292 a. Notice of a referendum on the merger of independent  
 293 special districts must be provided pursuant to the notice  
 294 requirements in s. 100.342. At a minimum, the notice must  
 295 include:

296 (I) A brief summary of the resolution and joint merger  
 297 plan;

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

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

302 (IV) The times and places at which the referendum will be  
 303 held; and

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

307 b. The referenda must be held in accordance with the  
 308 Florida Election Code and may be held pursuant to ss. 101.6101-

309 101.6107. All costs associated with the referenda shall be borne  
 310 by the respective component independent special district.

311 c. The ballot question in such referendum placed before  
 312 the qualified electors of each component independent special  
 313 district to be merged must be in substantially the following  
 314 form:

315  
 316 "Shall (...name of component independent special  
 317 district...) and (...name of component independent special  
 318 district or districts...) be merged into (...name of newly  
 319 merged independent district...)?

320        YES

321        NO"

322  
 323 d. If the component independent special districts  
 324 proposing to merge have disparate millage rates, the ballot  
 325 question in the referendum placed before the qualified electors  
 326 of each component independent special district must be in  
 327 substantially the following form:

328  
 329 "Shall (...name of component independent special  
 330 district...) and (...name of component independent special  
 331 district or districts...) be merged into (...name of newly  
 332 merged independent district...) if the voter-approved maximum  
 333 millage rate within each independent special district will not  
 334 increase absent a subsequent referendum?

335        YES

336        NO"

337  
338 e. In any referendum held pursuant to this subsection, the  
339 ballots shall be counted, returns made and canvassed, and  
340 results certified in the same manner as other elections or  
341 referenda for the component independent special districts.

342 f. The merger may not take effect unless a majority of the  
343 votes cast in each component independent special district are in  
344 favor of the merger. If one of the component districts does not  
345 obtain a majority vote, the referendum fails, and merger does  
346 not take effect.

347 g. If the merger is approved by a majority of the votes  
348 cast in each component independent special district, the merged  
349 independent district is created. Upon approval, the merged  
350 independent district shall notify the Special District  
351 Information Program pursuant to s. 189.418(2) and the local  
352 general-purpose governments in which any part of the component  
353 independent special districts is situated pursuant to s.  
354 189.418(7).

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

358 6. Component independent special districts merged pursuant  
359 to a joint merger plan by resolution shall continue to be  
360 governed as before the merger until the effective date specified  
361 in the adopted joint merger plan.

362 (c) Qualified elector-initiated merger plan.—The qualified  
363 electors of two or more contiguous independent special districts  
364 may commence a merger proceeding by each filing a petition with

365 the governing body of their respective independent special  
 366 district proposing to be merged. The petition must contain the  
 367 signatures of at least 40 percent of the qualified electors of  
 368 each component independent special district and must be  
 369 submitted to the appropriate component independent special  
 370 district governing body no later than 1 year after the start of  
 371 the qualified elector-initiated merger process.

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

374

375 PETITION FOR INDEPENDENT SPECIAL DISTRICT MERGER

376

377 We, the undersigned electors and legal voters of (...name  
 378 of independent special district...), qualified to vote at the  
 379 next general or special election, respectfully petition that  
 380 there be submitted to the electors and legal voters of (...name  
 381 of independent special district or districts proposed to be  
 382 merged...), for their approval or rejection at a referendum held  
 383 for that purpose, a proposal to merge (...name of component  
 384 independent special district...) and (...name of component  
 385 independent special district or districts...).

386

387 In witness thereof, we have signed our names on the date  
 388 indicated next to our signatures.

389

390 Date                      Name (print under signature)                      Home Address

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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."

<u>Date</u>	<u>Signature of Witness</u>
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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 of the (...insert number...) electors and legal voters whose

421 signatures appear on this petition sheet, who signed the  
 422 petition in my presence and who, being by me duly sworn, each  
 423 for himself or herself, identified himself or herself as the  
 424 same person who signed the petition, and I declare that the  
 425 foregoing information they provided was true."

426  
 427 Date Signature of Witness

428  
 429 c. An alteration or correction of information appearing on  
 430 a petition's signature line, other than an uninitialed signature  
 431 and date, does not invalidate such signature. In matters of  
 432 form, this paragraph shall be liberally construed, not  
 433 inconsistent with substantial compliance thereto and the  
 434 prevention of fraud.

435 d. The appropriately signed petition must be filed with  
 436 the governing body of each component independent special  
 437 district. The petition must be submitted to the supervisors of  
 438 elections of the counties in which the district lands are  
 439 located. The supervisors shall, within 30 business days after  
 440 receipt of the petitions, certify to the governing bodies the  
 441 number of signatures of qualified electors contained on the  
 442 petitions.

443 3. Upon verification by the supervisors of elections of  
 444 the counties within which component independent special district  
 445 lands are located that 40 percent of the qualified electors have  
 446 petitioned for merger and that all such petitions have been  
 447 executed within 1 year after the date of the initiation of the  
 448 qualified-electors merger process, the governing bodies of each



449 component independent special district shall meet within 30  
450 business days to prepare and approve by resolution a proposed  
451 elector-initiated merger plan. The proposed plan must include:  
452 a. The name of each component independent special district  
453 to be merged;  
454 b. The name of the proposed merged independent district;  
455 c. The rights, duties, and obligations of the merged  
456 independent district;  
457 d. The territorial boundaries of the proposed merged  
458 independent district;  
459 e. The governmental organization of the proposed merged  
460 independent district insofar as it concerns elected and  
461 appointed officials and public employees, along with a  
462 transitional plan and schedule for elections and appointments of  
463 officials;  
464 f. A fiscal estimate of the potential cost or savings as a  
465 result of the merger;  
466 g. Each component independent special district's assets,  
467 including, but not limited to, real and personal property, and  
468 the current value thereof;  
469 h. Each component independent special district's  
470 liabilities and indebtedness, bonded and otherwise, and the  
471 current value thereof;  
472 i. Terms for the assumption and disposition of existing  
473 assets, liabilities, and indebtedness of each component  
474 independent special district, jointly, separately, or in defined  
475 proportions;  
476 j. Terms for the common administration and uniform

477 enforcement of existing laws within the proposed merged  
 478 independent district;  
 479 k. The times and places for public hearings on the  
 480 proposed joint merger plan; and  
 481 1. The effective date of the proposed merger.  
 482 4. The resolution endorsing the proposed elector-initiated  
 483 merger plan must be approved by a majority vote of the governing  
 484 bodies of each component independent special district and must  
 485 be adopted at least 60 business days before any general or  
 486 special election on the proposed elector-initiated plan.  
 487 5. Within 5 business days after the governing bodies of  
 488 each component independent special district approve the proposed  
 489 elector-initiated merger plan, the governing bodies shall:  
 490 a. Cause a copy of the proposed elector-initiated merger  
 491 plan, along with a descriptive summary of the plan, to be  
 492 displayed and be readily accessible to the public for inspection  
 493 in at least three public places within the territorial limits of  
 494 each component independent special district, unless a component  
 495 independent special district has fewer than three public places,  
 496 in which case the plan must be accessible for inspection in all  
 497 public places within the component independent special district;  
 498 b. If applicable, cause the proposed elector-initiated  
 499 merger plan, along with a descriptive summary of the plan and a  
 500 reference to the public places within each component independent  
 501 special district where a copy of the merger plan may be  
 502 examined, to be displayed on a website maintained by each  
 503 district or otherwise on a website maintained by the county or  
 504 municipality in which the districts are located; and

505 c. Arrange for a descriptive summary of the proposed  
506 elector-initiated merger plan, and a reference to the public  
507 places within the district where a copy may be examined, to be  
508 published in a newspaper of general circulation within the  
509 component independent special districts at least once each week  
510 for 4 successive weeks.

511 6. The governing body of each component independent  
512 special district shall set a time and place for one or more  
513 public hearings on the proposed elector-initiated merger plan.  
514 Each public hearing shall be held on a weekday at least 7  
515 business days after the day the first advertisement is published  
516 on the proposed elector-initiated merger plan. The hearing or  
517 hearings may be held jointly or separately by the governing  
518 bodies of the component independent special districts. Any  
519 interested person residing in the respective district shall be  
520 given a reasonable opportunity to be heard on any aspect of the  
521 proposed merger at the public hearing.

522 a. Notice of the public hearing on the proposed elector-  
523 initiated merger plan must be published pursuant to the notice  
524 requirements in s. 189.417 and must provide a descriptive  
525 summary of the elector-initiated merger plan and a reference to  
526 the public places within the component independent special  
527 districts where a copy of the plan may be examined.

528 b. After the final public hearing, the governing bodies of  
529 each component independent special district may amend the  
530 proposed elector-initiated merger plan if the amended version  
531 complies with the notice and public hearing requirements  
532 provided in this subsection. The governing bodies must approve a

533 final version of the merger plan within 60 business days after  
 534 the final hearing.

535 7. After the final public hearing, the governing bodies  
 536 shall notify the supervisors of elections of the applicable  
 537 counties in which district lands are located of the adoption of  
 538 the resolution by each governing body. The supervisors of  
 539 elections shall schedule a date for the separate referenda for  
 540 each district. The referenda may be held in each district on the  
 541 same day, or on different days, but no more than 20 days apart.

542 a. Notice of a referendum on the merger of the component  
 543 independent special districts must be provided pursuant to the  
 544 notice requirements in s. 100.342. At a minimum, the notice must  
 545 include:

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

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

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

552 (IV) The times and places at which the referendum will be  
 553 held; and

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

557 b. The referenda must be held in accordance with the  
 558 Florida Election Code and may be held pursuant to ss. 101.6101-  
 559 101.6107. All costs associated with the referenda shall be borne  
 560 by the respective component independent special district.

561 c. The ballot question in such referendum placed before  
 562 the qualified electors of each component independent special  
 563 district to be merged must be in substantially the following  
 564 form:

565  
 566 "Shall (...name of component independent special  
 567 district...) and (...name of component independent special  
 568 district or districts...) be merged into (...name of newly  
 569 merged independent district...)?

570 YES  
 571 NO"

572  
 573 d. If the component independent special districts  
 574 proposing to merge have disparate millage rates, the ballot  
 575 question in the referendum placed before the qualified electors  
 576 of each component independent special district must be in  
 577 substantially the following form:

578  
 579 "Shall (...name of component independent special  
 580 district...) and (...name of component independent special  
 581 district or districts...) be merged into (...name of newly  
 582 merged independent district...) if the voter-approved maximum  
 583 millage rate within each independent special district will not  
 584 increase absent a subsequent referendum?

585 YES  
 586 NO"

587  
 588 e. In any referendum held pursuant to this subsection, the

589 ballots shall be counted, returns made and canvassed, and  
590 results certified in the same manner as other elections or  
591 referenda for the component independent special districts.

592 f. The merger may not take effect unless a majority of the  
593 votes cast in each component independent special district are in  
594 favor of the merger. If one of the component independent special  
595 districts does not obtain a majority vote, the referendum fails,  
596 and merger does not take effect.

597 g. If the merger is approved by a majority of the votes  
598 cast in each component independent special district, the merged  
599 district shall notify the Special District Information Program  
600 pursuant to s. 189.418(2) and the local general-purpose  
601 governments in which any part of the component independent  
602 special districts is situated pursuant to s. 189.418(7).

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

606 8. Component independent special districts merged pursuant  
607 to an elector-initiated merger plan shall continue to be  
608 governed as before the merger until the effective date specified  
609 in the adopted elector-initiated merger plan.

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

614 1. However, as soon as practicable, the merged independent  
615 district shall, at its own expense, submit a unified charter for  
616 the merged district to the Legislature for approval. The unified

617 charter must make the powers of the district consistent within  
618 the merged independent district and repeal the special acts of  
619 the districts which existed before the merger.

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

625 (e) Restrictions during transition period.—Until the  
626 Legislature formally approves the unified charter pursuant to a  
627 special act, each component independent special district is  
628 considered a subunit of the merged independent district subject  
629 to the following restrictions:

630 1. During the transition period, the merged independent  
631 district is limited in its powers and financing capabilities  
632 within each subunit to those powers that existed within the  
633 boundaries of each subunit which were previously granted to the  
634 component independent special district in its existing charter  
635 before the merger. The merged independent district may not,  
636 solely by reason of the merger, increase its powers or financing  
637 capability.

638 2. During the transition period, the merged independent  
639 district shall exercise only the legislative authority to levy  
640 and collect revenues within the boundaries of each subunit which  
641 was previously granted to the component independent special  
642 district by its existing charter before the merger, including  
643 the authority to levy ad valorem taxes, non-ad valorem  
644 assessments, impact fees, and charges.

645 a. The merged independent district may not, solely by  
646 reason of the merger or the legislatively approved unified  
647 charter, increase ad valorem taxes on property within the  
648 original limits of a subunit beyond the maximum millage rate  
649 approved by the electors of the component independent special  
650 district unless the electors of such subunit approve an increase  
651 at a subsequent referendum of the subunit's electors. Each  
652 subunit may be considered a separate taxing unit.

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

657 3. During the transition period, each component  
658 independent special district of the merged independent district  
659 must continue to file all information and reports required under  
660 this chapter as subunits until the Legislature formally approves  
661 the unified charter pursuant to a special act.

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

666 (f) Effect of merger, generally.—On and after the  
667 effective date of the merger, the merged independent district  
668 shall be treated and considered for all purposes as one entity  
669 under the name and on the terms and conditions set forth in the  
670 joint merger plan or elector-initiated merger plan, as  
671 appropriate.

672 1. All rights, privileges, and franchises of each



673 component independent special district and all assets, real and  
674 personal property, books, records, papers, seals, and equipment,  
675 as well as other things in action, belonging to each component  
676 independent special district before the merger shall be deemed  
677 as transferred to and vested in the merged independent district  
678 without further act or deed.

679 2. All property, rights-of-way, and other interests are as  
680 effectually the property of the merged independent district as  
681 they were of the component independent special district before  
682 the merger. The title to real estate, by deed or otherwise,  
683 under the laws of this state vested in any component independent  
684 special district before the merger may not be deemed to revert  
685 or be in any way impaired by reason of the merger.

686 3. The merged independent district is in all respects  
687 subject to all obligations and liabilities imposed and possesses  
688 all the rights, powers, and privileges vested by law in other  
689 similar entities.

690 4. Upon the effective date of the merger, the joint merger  
691 plan or elector-initiated merger plan, as appropriate, is  
692 subordinate in all respects to the contract rights of all  
693 holders of any securities or obligations of the component  
694 independent special districts outstanding at the effective date  
695 of the merger.

696 5. The new registration of electors is not necessary as a  
697 result of the merger, but all elector registrations of the  
698 component independent special districts shall be transferred to  
699 the proper registration books of the merged independent  
700 district, and new registrations shall be made as provided by law

701 as if no merger had taken place.

702 (g) Governing body of merged independent district.—

703 1. From the effective date of the merger until the next  
 704 general election, the governing body of the merged independent  
 705 district shall be comprised of the governing body members of  
 706 each component independent special district, with such members  
 707 serving until the governing body members elected at the next  
 708 general election take office.

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

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

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

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

723 (h) Effect on employees.—Except as otherwise provided by  
 724 law and except for those officials and employees protected by  
 725 tenure of office, civil service provisions, or a collective  
 726 bargaining agreement, upon the effective date of merger, all  
 727 appointive offices and positions existing in all component  
 728 independent special districts involved in the merger are subject

729 to the terms of the joint merger plan or elector-initiated  
 730 merger plan, as appropriate. Such plan may provide for instances  
 731 in which there are duplications of positions and for other  
 732 matters such as varying lengths of employee contracts, varying  
 733 pay levels or benefits, different civil service regulations in  
 734 the constituent entities, and differing ranks and position  
 735 classifications for similar positions. For those employees who  
 736 are members of a bargaining unit certified by the Public  
 737 Employees Relations Commission, the requirements of chapter 447  
 738 apply.

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

740 1. All valid and lawful debts and liabilities existing  
 741 against a merged independent district, or which may arise or  
 742 accrue against the merged independent district, which but for  
 743 merger would be valid and lawful debts or liabilities against  
 744 one or more of the component independent special districts, are  
 745 debts against or liabilities of the merged independent district  
 746 and accordingly shall be defrayed and answered to by the merged  
 747 independent district to the same extent, and no further than,  
 748 the component independent special districts would have been  
 749 bound if a merger had not taken place.

750 2. The rights of creditors and all liens upon the property  
 751 of any of the component independent special districts shall be  
 752 preserved unimpaired. The respective component districts shall  
 753 be deemed to continue in existence to preserve such rights and  
 754 liens, and all debts, liabilities, and duties of any of the  
 755 component districts attach to the merged independent district.

756 3. All bonds, contracts, and obligations of the component

757 independent special districts which exist as legal obligations  
758 are obligations of the merged independent district, and all such  
759 obligations shall be issued or entered into by and in the name  
760 of the merged independent district.

761 (j) Effect on actions and proceedings.—In any action or  
762 proceeding pending on the effective date of merger to which a  
763 component independent special district is a party, the merged  
764 independent district may be substituted in its place, and the  
765 action or proceeding may be prosecuted to judgment as if merger  
766 had not taken place. Suits may be brought and maintained against  
767 a merged independent district in any state court in the same  
768 manner as against any other independent special district.

769 (k) Effect on annexation.—Chapter 171 continues to apply  
770 to all annexations by a city within the component independent  
771 special districts' boundaries after merger occurs. Any moneys  
772 owed to a component independent special district pursuant to s.  
773 171.093, or any interlocal service boundary agreement as a  
774 result of annexation predating the merger, shall be paid to the  
775 merged independent district after merger.

776 (l) Determination of rights.—If any right, title,  
777 interest, or claim arises out of a merger or by reason thereof  
778 which is not determinable by reference to this subsection, the  
779 joint merger plan or elector-initiated merger plan, as  
780 appropriate, or otherwise under the laws of this state, the  
781 governing body of the merged independent district may provide  
782 therefor in a manner conforming to law.

783 (m) Exemption.—This subsection does not apply to  
784 independent special districts whose governing bodies are elected

785 by district landowners voting the acreage owned within the  
 786 district.

787 (n) Preemption.—This subsection preempts any special act  
 788 to the contrary.

789 (6) INVOLUNTARY MERGER OF INDEPENDENT SPECIAL DISTRICTS.—

790 (a) Independent special districts created by special act.—

791 If the Legislature or a local general-purpose government seeks  
 792 to merge an active independent special district or districts  
 793 created and operating pursuant to a special act whose governing  
 794 body or governing bodies object by resolution to the merger, the  
 795 merger of the active independent special district or districts  
 796 is not effective until the special act of the Legislature is  
 797 approved at separate referenda of the impacted local governments  
 798 by a majority of the resident electors or landowners voting in  
 799 the same manner by which each independent special district's  
 800 governing body is elected. The special act shall include a plan  
 801 of merger that addresses transition issues such as the effective  
 802 date of the merger, governance, administration, powers,  
 803 pensions, and assumption of all assets and liabilities.

804 (b) Independent special districts created by a county or  
 805 municipality.—A county or municipality may merge an independent  
 806 special district created by the county or municipality pursuant  
 807 to a referendum or any other procedure by which the independent  
 808 special district was created. However, if the independent  
 809 special district has ad valorem taxation powers, the same  
 810 procedure required to grant the independent special district ad  
 811 valorem taxation powers is required to merge the district.

812 (c) Referendum expenses.—The political subdivisions

813 proposing the involuntary merger of an active independent  
 814 special district shall be responsible for payment of any  
 815 expenses associated with the referendum required under this  
 816 subsection.

817 (d) Inactive independent special districts.—An independent  
 818 special district that meets any criteria for being declared  
 819 inactive, or that has already been declared inactive, pursuant  
 820 to s. 189.4044 may be merged by special act without a  
 821 referendum.

822 (7)(3) EXEMPTIONS.—The provisions of This section does  
 823 ~~shall~~ not apply to community development districts implemented  
 824 pursuant to chapter 190 or to water management districts created  
 825 and operated pursuant to chapter 373.

826 Section 2. Section 191.014, Florida Statutes, is amended  
 827 to read:

828 191.014 District creation and, expansion, ~~and merger.~~—

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

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

834 ~~(3) The merger of a district with all or portions of other~~  
 835 ~~independent special districts or dependent fire control~~  
 836 ~~districts is effective only upon ratification by the~~  
 837 ~~Legislature. A district may not, solely by reason of a merger~~  
 838 ~~with another governmental entity, increase ad valorem taxes on~~  
 839 ~~property within the original limits of the district beyond the~~  
 840 ~~maximum established by the district's enabling legislation,~~

841 ~~unless approved by the electors of the district by referendum.~~

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

844 189.4044 Special procedures for inactive districts.—

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

847 (a) The special district meets one of the following  
848 criteria:

849 1. The registered agent of the district, the chair of the  
850 governing body of the district, or the governing body of the  
851 appropriate local general-purpose government notifies the  
852 department in writing that the district has taken no action for  
853 2 or more years;

854 2. Following an inquiry from the department, the  
855 registered agent of the district, the chair of the governing  
856 body of the district, or the governing body of the appropriate  
857 local general-purpose government notifies the department in  
858 writing that the district has not had a governing board or a  
859 sufficient number of governing board members to constitute a  
860 quorum for 2 or more years or the registered agent of the  
861 district, the chair of the governing body of the district, or  
862 the governing body of the appropriate local general-purpose  
863 government fails to respond to the department's inquiry within  
864 21 days;

865 3. The department determines, pursuant to s. 189.421, that  
866 the district has failed to file any of the reports listed in s.  
867 189.419; ~~or~~

868 4. The district has not had a registered office and agent

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869 on file with the department for 1 or more years; or  
870 5. The governing body of a special district provides  
871 documentation to the department that it has unanimously adopted  
872 a resolution declaring the special district inactive. The  
873 special district shall be responsible for payment of any  
874 expenses associated with its dissolution.

875 (4) The entity that created a special district declared  
876 inactive under this section must dissolve the special district  
877 by repealing its enabling laws or by other appropriate means.  
878 Any special district declared inactive pursuant to subparagraph  
879 (1)(a)5. may be dissolved without a referendum.

880 Section 4. This act shall take effect July 1, 2012.