

By the Committee on Budget Subcommittee on Finance and Tax; and
Senator Bennett

593-02757-12

2012192c1

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 providing dissolution procedures for active
11 independent special districts by special acts and
12 referenda; providing for the dissolution of inactive
13 independent special districts by special act;
14 providing for local governments to assume indebtedness
15 of, and receive title to property owned by, special
16 districts under certain circumstances; providing for
17 the merger of certain independent special districts by
18 the Legislature; providing procedures and requirements
19 for the voluntary merger of contiguous independent
20 special districts; limiting the authority of the
21 merged district to levy and collect revenue until a
22 unified charter is approved by the Legislature;
23 providing for the effect of the merger on employees,
24 legal liabilities, obligations, proceedings, and
25 annexation; providing for the determination of certain
26 rights by the governing body of the merged district;
27 providing that such provisions preempt certain special
28 acts; providing procedures and requirements for the
29 involuntary merger of independent special districts;

593-02757-12

2012192c1

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.

593-02757-12

2012192c1

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

593-02757-12

2012192c1

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.

593-02757-12

2012192c1

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.—If the governing board of an
127 independent special district created and operating pursuant to a
128 special act elects, by a majority vote plus one, to dissolve the
129 district, the voluntary merger ~~or~~ dissolution of an independent
130 special district ~~or a dependent district~~ created and operating
131 pursuant to a special act may ~~only~~ be effectuated only by the
132 Legislature unless otherwise provided by general law.

133 (b) Other dissolutions.—

134 1. In order for the Legislature to dissolve an active
135 independent special district created and operating pursuant to a
136 special act, the special act dissolving the active independent
137 special district must be approved by a majority of the resident
138 electors of the district or, for districts in which a majority
139 of governing board members are elected by landowners, a majority
140 of the landowners voting in the same manner by which the
141 independent special district's governing body is elected. If a
142 local general-purpose government passes an ordinance or
143 resolution in support of the dissolution, the local general-
144 purpose government must pay any expenses associated with the
145 referendum required under this subparagraph.

593-02757-12

2012192c1

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

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

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

174 (4) LEGISLATIVE MERGER OF INDEPENDENT SPECIAL DISTRICTS.—

593-02757-12

2012192c1

175 The Legislature, by special act, may merge independent special
176 districts created and operating pursuant to special act.

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

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

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

187 2. A qualified elector initiative.

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

193 1. The proposed joint merger plan must specify:

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

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

197 c. The rights, duties, and obligations of the proposed
198 merged independent district;

199 d. The territorial boundaries of the proposed merged
200 independent district;

201 e. The governmental organization of the proposed merged
202 independent district insofar as it concerns elected and
203 appointed officials and public employees, along with a

593-02757-12

2012192c1

204 transitional plan and schedule for elections and appointments of
205 officials;

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

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

211 h. Each component independent special district's
212 liabilities and indebtedness, bonded and otherwise, and the
213 current value thereof;

214 i. Terms for the assumption and disposition of existing
215 assets, liabilities, and indebtedness of each component
216 independent special district jointly, separately, or in defined
217 proportions;

218 j. Terms for the common administration and uniform
219 enforcement of existing laws within the proposed merged
220 independent district;

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

223 l. The times and places for a referendum in each component
224 independent special district on the proposed joint merger plan,
225 along with the referendum language to be presented for approval;
226 and

227 m. The effective date of the proposed merger.

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

593-02757-12

2012192c1

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

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

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

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

257 4. The governing body of each component independent special
258 district shall set a time and place for one or more public
259 hearings on the proposed joint merger plan. Each public hearing
260 shall be held on a weekday at least 7 business days after the
261 day the first advertisement is published on the proposed joint

593-02757-12

2012192c1

262 merger plan. The hearing or hearings may be held jointly or
263 separately by the governing bodies of the component independent
264 special districts. Any interested person residing in the
265 respective district shall be given a reasonable opportunity to
266 be heard on any aspect of the proposed merger at the public
267 hearing.

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

274 b. After the final public hearing, the governing bodies of
275 each component independent special district may amend the
276 proposed joint merger plan if the amended version complies with
277 the notice and public hearing requirements provided in this
278 subsection. Thereafter, the governing bodies may approve a final
279 version of the joint merger plan or decline to proceed further
280 with the merger. Approval by the governing bodies of the final
281 version of the joint merger plan must occur within 60 business
282 days after the final hearing.

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

593-02757-12

2012192c1

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

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

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

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

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

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

306 b. The referenda must be held in accordance with the
307 Florida Election Code and may be held pursuant to ss. 101.6101-
308 101.6107. All costs associated with the referenda shall be borne
309 by the respective component independent special district.

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

314
315 "Shall (...name of component independent special
316 district...) and (...name of component independent special
317 district or districts...) be merged into (...name of newly
318 merged independent district...)?

319 YES

593-02757-12

2012192c1

320 NO"

321

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

327

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

334 YES

335 NO"

336

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

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

346 g. If the merger is approved by a majority of the votes
347 cast in each component independent special district, the merged
348 independent district is created. Upon approval, the merged

593-02757-12

2012192c1

349 independent district shall notify the Special District
350 Information Program pursuant to s. 189.418(2) and the local
351 general-purpose governments in which any part of the component
352 independent special districts is situated pursuant to s.
353 189.418(7).

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

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

361 (c) *Qualified elector-initiated merger plan.*—The qualified
362 electors of two or more contiguous independent special districts
363 may commence a merger proceeding by each filing a petition with
364 the governing body of their respective independent special
365 district proposing to be merged. The petition must contain the
366 signatures of at least 40 percent of the qualified electors of
367 each component independent special district and must be
368 submitted to the appropriate component independent special
369 district governing body no later than 1 year after the start of
370 the qualified elector-initiated merger process.

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

373

374 PETITION FOR INDEPENDENT SPECIAL DISTRICT MERGER

375

376 We, the undersigned electors and legal voters of (...name
377 of independent special district...), qualified to vote at the

593-02757-12

2012192c1

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

385
 386 In witness thereof, we have signed our names on the date
 387 indicated next to our signatures.

388
 389 Date Name (print under signature) Home Address

390 _____
 391 _____

392
 393 2. The petition must be validated by a signed statement by
 394 a witness who is a duly qualified elector of one of the
 395 component independent special districts, a notary public, or
 396 another person authorized to take acknowledgements.

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

401
 402 "I, (...name of witness...), state that I am a duly
 403 qualified voter of (...name of independent special district...).
 404 Each of the (...insert number...) persons who have signed this
 405 petition sheet has signed his or her name in my presence on the
 406 dates indicated above and identified himself or herself to be

593-02757-12

2012192c1

407 the same person who signed the sheet. I understand that this
408 statement will be accepted for all purposes as the equivalent of
409 an affidavit and, if it contains a materially false statement,
410 shall subject me to the penalties of perjury."

411
412 Date Signature of Witness

413
414 b. A statement that is signed by a notary public or another
415 person authorized to take acknowledgements must be in
416 substantially the following form:

417
418 "On the date indicated above before me personally came each
419 of the (...insert number...) electors and legal voters whose
420 signatures appear on this petition sheet, who signed the
421 petition in my presence and who, being by me duly sworn, each
422 for himself or herself, identified himself or herself as the
423 same person who signed the petition, and I declare that the
424 foregoing information they provided was true."

425
426 Date Signature of Witness

427
428 c. An alteration or correction of information appearing on
429 a petition's signature line, other than an uninitialed signature
430 and date, does not invalidate such signature. In matters of
431 form, this paragraph shall be liberally construed, not
432 inconsistent with substantial compliance thereto and the
433 prevention of fraud.

434 d. The appropriately signed petition must be filed with the
435 governing body of each component independent special district.

593-02757-12

2012192c1

436 The petition must be submitted to the supervisors of elections
437 of the counties in which the district lands are located. The
438 supervisors shall, within 30 business days after receipt of the
439 petitions, certify to the governing bodies the number of
440 signatures of qualified electors contained on the petitions.

441 3. Upon verification by the supervisors of elections of the
442 counties within which component independent special district
443 lands are located that 40 percent of the qualified electors have
444 petitioned for merger and that all such petitions have been
445 executed within 1 year after the date of the initiation of the
446 qualified-electoral merger process, the governing bodies of each
447 component independent special district shall meet within 30
448 business days to prepare and approve by resolution a proposed
449 electoral-initiated merger plan. The proposed plan must include:

450 a. The name of each component independent special district
451 to be merged;

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

453 c. The rights, duties, and obligations of the merged
454 independent district;

455 d. The territorial boundaries of the proposed merged
456 independent district;

457 e. The governmental organization of the proposed merged
458 independent district insofar as it concerns elected and
459 appointed officials and public employees, along with a
460 transitional plan and schedule for elections and appointments of
461 officials;

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

464 g. Each component independent special district's assets,

593-02757-12

2012192c1

465 including, but not limited to, real and personal property, and
466 the current value thereof;

467 h. Each component independent special district's
468 liabilities and indebtedness, bonded and otherwise, and the
469 current value thereof;

470 i. Terms for the assumption and disposition of existing
471 assets, liabilities, and indebtedness of each component
472 independent special district, jointly, separately, or in defined
473 proportions;

474 j. Terms for the common administration and uniform
475 enforcement of existing laws within the proposed merged
476 independent district;

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

479 1. The effective date of the proposed merger.

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

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

488 a. Cause a copy of the proposed elector-initiated merger
489 plan, along with a descriptive summary of the plan, to be
490 displayed and be readily accessible to the public for inspection
491 in at least three public places within the territorial limits of
492 each component independent special district, unless a component
493 independent special district has fewer than three public places,

593-02757-12

2012192c1

494 in which case the plan must be accessible for inspection in all
495 public places within the component independent special district;

496 b. If applicable, cause the proposed elector-initiated
497 merger plan, along with a descriptive summary of the plan and a
498 reference to the public places within each component independent
499 special district where a copy of the merger plan may be
500 examined, to be displayed on a website maintained by each
501 district or otherwise on a website maintained by the county or
502 municipality in which the districts are located; and

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

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

520 a. Notice of the public hearing on the proposed elector-
521 initiated merger plan must be published pursuant to the notice
522 requirements in s. 189.417 and must provide a descriptive

593-02757-12

2012192c1

523 summary of the elector-initiated merger plan and a reference to
524 the public places within the component independent special
525 districts where a copy of the plan may be examined.

526 b. After the final public hearing, the governing bodies of
527 each component independent special district may amend the
528 proposed elector-initiated merger plan if the amended version
529 complies with the notice and public hearing requirements
530 provided in this subsection. The governing bodies must approve a
531 final version of the merger plan within 60 business days after
532 the final hearing.

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

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

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

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

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

550 (IV) The times and places at which the referendum will be
551 held; and

593-02757-12

2012192c1

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

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

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

563
564 "Shall (...name of component independent special
565 district...) and (...name of component independent special
566 district or districts...) be merged into (...name of newly
567 merged independent district...)?

568 YES

569 NO"

570
571 d. If the component independent special districts proposing
572 to merge have disparate millage rates, the ballot question in
573 the referendum placed before the qualified electors of each
574 component independent special district must be in substantially
575 the following form:

576
577 "Shall (...name of component independent special
578 district...) and (...name of component independent special
579 district or districts...) be merged into (...name of newly
580 merged independent district...) if the voter-approved maximum

593-02757-12

2012192c1

581 millage rate within each independent special district will not
582 increase absent a subsequent referendum?

583 YES

584 NO"

585

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

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

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

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

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

608 (d) *Effective date.*—The effective date of the merger shall
609 be as provided in the joint merger plan or elector-initiated

593-02757-12

2012192c1

610 merger plan, as appropriate, and is not contingent upon the
611 future act of the Legislature.

612 1. However, as soon as practicable, the merged independent
613 district shall, at its own expense, submit a unified charter for
614 the merged district to the Legislature for approval. The unified
615 charter must make the powers of the district consistent within
616 the merged independent district and repeal the special acts of
617 the districts which existed before the merger.

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

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

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

636 2. During the transition period, the merged independent
637 district shall exercise only the legislative authority to levy
638 and collect revenues within the boundaries of each subunit which

593-02757-12

2012192c1

639 was previously granted to the component independent special
640 district by its existing charter before the merger, including
641 the authority to levy ad valorem taxes, non-ad valorem
642 assessments, impact fees, and charges.

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

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

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

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

664 (f) *Effect of merger, generally.*—On and after the effective
665 date of the merger, the merged independent district shall be
666 treated and considered for all purposes as one entity under the
667 name and on the terms and conditions set forth in the joint

593-02757-12

2012192c1

668 merger plan or elector-initiated merger plan, as appropriate.

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

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

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

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

693 5. The new registration of electors is not necessary as a
694 result of the merger, but all elector registrations of the
695 component independent special districts shall be transferred to
696 the proper registration books of the merged independent

593-02757-12

2012192c1

697 district, and new registrations shall be made as provided by law
698 as if no merger had taken place.

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

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

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

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

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

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

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

593-02757-12

2012192c1

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

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

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

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

753 3. All bonds, contracts, and obligations of the component
754 independent special districts which exist as legal obligations

593-02757-12

2012192c1

755 are obligations of the merged independent district, and all such
756 obligations shall be issued or entered into by and in the name
757 of the merged independent district.

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

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

773 (l) Effect on millage calculations.—The merged independent
774 special district is authorized to continue or conclude
775 procedures under chapter 200 on behalf of the component
776 independent special districts. The merged independent special
777 district shall make the calculations required by chapter 200 for
778 each component individual special district separately.

779 (m) Determination of rights.—If any right, title, interest,
780 or claim arises out of a merger or by reason thereof which is
781 not determinable by reference to this subsection, the joint
782 merger plan or elector-initiated merger plan, as appropriate, or
783 otherwise under the laws of this state, the governing body of

593-02757-12

2012192c1

784 the merged independent district may provide therefor in a manner
785 conforming to law.

786 (n) Exemption.—This subsection does not apply to
787 independent special districts whose governing bodies are elected
788 by district landowners voting the acreage owned within the
789 district.

790 (o) Preemption.—This subsection preempts any special act to
791 the contrary.

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

793 (a) Independent special districts created by special act.—
794 In order for the Legislature to merge an active independent
795 special district or districts created and operating pursuant to
796 a special act, the special act merging the active independent
797 special district or districts must be approved at separate
798 referenda of the impacted local governments by a majority of the
799 resident electors or, for districts in which a majority of
800 governing board members are elected by landowners, a majority of
801 the landowners voting in the same manner by which each
802 independent special district's governing body is elected. The
803 special act merging the districts must include a plan of merger
804 that addresses transition issues such as the effective date of
805 the merger, governance, administration, powers, pensions, and
806 assumption of all assets and liabilities. If a local general-
807 purpose government passes an ordinance or resolution in support
808 of the merger of an active independent special district, the
809 local general-purpose government must pay any expenses
810 associated with the referendum required under this paragraph.

811 (b) Independent special districts created by a county or
812 municipality.—A county or municipality may merge an independent

593-02757-12

2012192c1

813 special district created by the county or municipality pursuant
814 to a referendum or any other procedure by which the independent
815 special district was created. However, if the independent
816 special district has ad valorem taxation powers, the same
817 procedure required to grant the independent special district ad
818 valorem taxation powers is required to merge the district. The
819 political subdivisions proposing the involuntary merger of an
820 active independent special district shall pay any expenses
821 associated with the referendum required under this paragraph.

822 (c) Inactive independent special districts.—An independent
823 special district that meets any criteria for being declared
824 inactive, or that has already been declared inactive, pursuant
825 to s. 189.4044 may be merged by special act without a
826 referendum.

827 (7) (3) EXEMPTIONS.—The provisions of This section does
828 shall not apply to community development districts implemented
829 pursuant to chapter 190 or to water management districts created
830 and operated pursuant to chapter 373.

831 Section 2. Section 191.014, Florida Statutes, is amended to
832 read:

833 191.014 District creation and, expansion, ~~and merger.~~—

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

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

838 ~~(3) The merger of a district with all or portions of other~~
839 ~~independent special districts or dependent fire control~~
840 ~~districts is effective only upon ratification by the~~
841 ~~Legislature. A district may not, solely by reason of a merger~~

593-02757-12

2012192c1

842 ~~with another governmental entity, increase ad valorem taxes on~~
843 ~~property within the original limits of the district beyond the~~
844 ~~maximum established by the district's enabling legislation,~~
845 ~~unless approved by the electors of the district by referendum.~~

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

848 189.4044 Special procedures for inactive districts.—

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

851 (a) The special district meets one of the following
852 criteria:

853 1. The registered agent of the district, the chair of the
854 governing body of the district, or the governing body of the
855 appropriate local general-purpose government notifies the
856 department in writing that the district has taken no action for
857 2 or more years;

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

868 3. The department determines, pursuant to s. 189.421, that
869 the district has failed to file any of the reports listed in s.
870 189.419; ~~or~~

593-02757-12

2012192c1

871 4. The district has not had a registered office and agent
872 on file with the department for 1 or more years; or

873 5. The governing body of a special district provides
874 documentation to the department that it has unanimously adopted
875 a resolution declaring the special district inactive. The
876 special district shall be responsible for payment of any
877 expenses associated with its dissolution.

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

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