

HB 827

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1 A bill to be entitled  
2 An act relating to limited agricultural associations;  
3 amending s. 604.14, F.S.; providing for the conversion  
4 of limited agricultural associations to corporations  
5 not for profit; conforming provisions; amending s.  
6 617.0122, F.S.; specifying a fee for filing a limited  
7 agricultural association's certificate of conversion  
8 to a domestic corporation; creating s. 617.1809, F.S.;  
9 defining the term "limited agricultural association"  
10 for purposes of the act; providing procedures for  
11 conversion of a limited agricultural association to a  
12 domestic corporation not for profit; requiring the  
13 filing of a certificate of conversion and articles of  
14 incorporation with the Department of State; providing  
15 for the effective date of the conversion; providing  
16 that the conversion does not affect any obligation or  
17 liability of the association; providing that all  
18 rights, property, and obligations of the association  
19 are vested in the corporation; specifying that the  
20 association is not required to wind up its affairs or  
21 pay its liabilities and distribute its assets;  
22 providing for the association's approval before the  
23 certificate of conversion is filed; authorizing the  
24 association to provide a plan or other record of  
25 conversion; providing an effective date.

26  
27 Be It Enacted by the Legislature of the State of Florida:  
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29 Section 1. Section 604.14, Florida Statutes, is amended to  
 30 read:

31 604.14 Limited agricultural association; dissolution;  
 32 conversion to a corporation not for profit.—

33 (1) A ~~Any~~ limited agricultural association may be  
 34 dissolved upon the presentation by its members of a petition for  
 35 dissolution to a the circuit judge of the circuit in which the  
 36 association's ~~wherein its~~ principal place of business is  
 37 located. ~~The~~ Such judge may issue any ~~make all~~ orders necessary  
 38 for to the preservation of the rights of the members and  
 39 creditors and the winding up of the affairs of the association.  
 40 ~~Such~~ Notice of hearing on the petition for dissolution must  
 41 ~~shall~~ be given as ~~may by~~ the judge deems ~~be deemed~~ proper.

42 (2) A limited agricultural association may convert to a  
 43 corporation not for profit in accordance with s. 617.1809.

44 Section 2. Subsection (22) of section 617.0122, Florida  
 45 Statutes, is renumbered as subsection (23), and a new subsection  
 46 (22) is added to that section to read:

47 617.0122 Fees for filing documents and issuing  
 48 certificates.—The Department of State shall collect the  
 49 following fees on documents delivered to the department for  
 50 filing:

51 (22) Certificate of conversion of a limited agricultural  
 52 association to a domestic corporation: \$35.

53  
 54 Any citizen support organization that is required by rule of the  
 55 Department of Environmental Protection to be formed as a  
 56 nonprofit organization and is under contract with the department

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57 is exempt from any fees required for incorporation as a  
58 nonprofit organization, and the Secretary of State may not  
59 assess any such fees if the citizen support organization is  
60 certified by the Department of Environmental Protection to the  
61 Secretary of State as being under contract with the Department  
62 of Environmental Protection.

63 Section 3. Section 617.1809, Florida Statutes, is created  
64 to read:

65 617.1809 Limited agricultural association; conversion to a  
66 domestic corporation not for profit.-

67 (1) As used in this section, the term "limited  
68 agricultural association" or "association" means a limited  
69 agricultural association formed under ss. 604.09-604.14.

70 (2) A limited agricultural association may convert to a  
71 domestic corporation not for profit by filing the following  
72 documents with the department in accordance with s. 617.01201:

73 (a) A certificate of conversion, which must be executed by  
74 a person authorized in s. 617.01201(6) and such other persons  
75 that may be required in the association's articles of  
76 association or bylaws.

77 (b) Articles of incorporation, which must comply with s.  
78 617.0202 and be executed by a person authorized in s.  
79 617.01201(6).

80 (3) The certificate of conversion must include:

81 (a) The date upon which the association was initially  
82 formed under ss. 604.09-604.14.

83 (b) The name of the association immediately before filing  
84 the certificate of conversion.

85        (c) The name of the domestic corporation as set forth in  
 86 its articles of incorporation.

87        (d) The effective date of the conversion. If the  
 88 conversion does not take effect upon filing the certificate of  
 89 conversion and articles of incorporation, the delayed effective  
 90 date for the conversion, subject to the limitation in s.  
 91 617.0123(2), must be a date certain and the same as the  
 92 effective date of the articles of incorporation.

93        (4) When the certificate of conversion and articles of  
 94 incorporation are filed with the department, or upon the delayed  
 95 effective date, the association is converted to the domestic  
 96 corporation, and the corporation becomes subject to this  
 97 chapter. However, notwithstanding s. 617.0123, the existence of  
 98 the corporation is deemed to have commenced when the association  
 99 was initially formed under ss. 604.09-604.14.

100        (5) Conversion of a limited agricultural association to a  
 101 domestic corporation does not affect any obligation or liability  
 102 of the association that was incurred before the conversion.

103        (6) When a conversion takes effect under this section, all  
 104 rights, privileges, and powers of the converting association,  
 105 all property, real, personal, and mixed, and all debts due to  
 106 the association, as well as all other assets and causes of  
 107 action belonging to the association, are vested in the domestic  
 108 corporation to which the association is converted and are the  
 109 property of the corporation as they were of the association. The  
 110 title to any real property that is vested by deed or otherwise  
 111 in the converting association does not revert and is not  
 112 impaired by the operation of this chapter, but all rights of

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113 creditors and all liens upon any property of the association are  
114 preserved unimpaired, and all debts, liabilities, and duties of  
115 the association attach to the domestic corporation and are  
116 enforceable against it to the same extent as if the debts,  
117 liabilities, and duties had been incurred or contracted by the  
118 corporation.

119 (7) The limited agricultural association is not required  
120 to wind up its affairs or pay its liabilities and distribute its  
121 assets. Conversion does not constitute a dissolution of the  
122 association but is a continuation of the association's existence  
123 in the form of the domestic corporation.

124 (8) Before a limited agricultural association may file a  
125 certificate of conversation with the department, unless  
126 otherwise specified in the association's articles of association  
127 or bylaws, the conversion must be approved by a majority vote of  
128 the association's members, and the articles of incorporation  
129 must be approved by the same authorization required for approval  
130 of the conversion. As part of the approval, the converting  
131 association may provide a plan or other record of conversion  
132 which describes the manner and basis of converting the  
133 membership interests in the association into membership  
134 interests in the domestic corporation. The plan or other record  
135 may also contain other provisions relating to the conversion,  
136 including, but not limited to, the right of the converting  
137 association to abandon the proposed conversion or an effective  
138 date for the conversion that is consistent with paragraph  
139 (3) (d).

140 Section 4. This act shall take effect upon becoming a law.