

By the Committee on Rules; and Senator Lee

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1 A bill to be entitled
2 An act relating to local government fiscal affairs;
3 amending s. 11.40, F.S.; expanding the scope of the
4 Legislative Auditing Committee review to include
5 compliance with local government fiscal transparency
6 requirements; amending s. 11.45, F.S.; providing
7 procedures for the Auditor General and local
8 governments to comply with the local government fiscal
9 transparency requirements; amending s. 125.045, F.S.;
10 revising reporting requirements for certain county
11 economic development incentives; amending ss. 129.03
12 and 129.06, F.S.; requiring counties to maintain
13 certain budget documents on their websites for a
14 specified period; amending s. 166.021, F.S.; revising
15 reporting requirements for certain municipality
16 economic development incentives; amending s. 166.241,
17 F.S.; requiring municipalities to maintain certain
18 budget documents on their websites for a specified
19 period; transferring and renumbering s. 218.80, F.S.;
20 creating part VIII of ch. 218, F.S., consisting of ss.
21 218.801, 218.803, 218.805, 218.81, 218.82, 218.83,
22 218.84, 218.88, and 218.89, F.S.; providing a short
23 title; specifying the purpose of the local government
24 fiscal transparency requirements; providing
25 definitions; requiring local governments to post
26 certain voting record information on their websites;
27 requiring the posting of specified links to related
28 sites if certain documentation or details are
29 available; requiring property appraisers to post

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30 certain property tax information and history on their
31 websites; requiring local governments to post certain
32 property tax information and history on their
33 websites; requiring public notices for public hearings
34 and meetings before certain increases of local
35 government tax levies or the issuance of new tax-
36 supported debt; specifying noticing and advertising
37 requirements for such public hearings and meetings;
38 requiring local governments to conduct certain debt
39 affordability analyses under specified conditions;
40 requiring audits of financial statements of local
41 governments to be accompanied by an affidavit signed
42 by the chair of the local government governing board;
43 requiring certain information to be included in
44 affidavits filed with the Auditor General; providing a
45 method for local governments that do not operate a
46 website to post certain required information; amending
47 s. 218.32, F.S.; conforming a cross-reference;
48 providing that this act fulfills an important state
49 interest; providing an effective date.

50
51 Be It Enacted by the Legislature of the State of Florida:

52
53 Section 1. Subsection (2) of section 11.40, Florida
54 Statutes, is amended to read:

55 11.40 Legislative Auditing Committee.—

56 (2) Following notification by the Auditor General, the
57 Department of Financial Services, or the Division of Bond
58 Finance of the State Board of Administration of the failure of a

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59 local governmental entity, district school board, charter
60 school, or charter technical career center to comply with the
61 applicable provisions within s. 11.45(5)-(7), s. 218.32(1), s.
62 218.38, ~~or~~ s. 218.503(3), or part VIII of chapter 218, the
63 Legislative Auditing Committee may schedule a hearing to
64 determine if the entity should be subject to further state
65 action. If the committee determines that the entity should be
66 subject to further state action, the committee shall:

67 (a) In the case of a local governmental entity or district
68 school board, direct the Department of Revenue and the
69 Department of Financial Services to withhold any funds not
70 pledged for bond debt service satisfaction which are payable to
71 such entity until the entity complies with the law. The
72 committee shall specify the date such action shall begin, and
73 the directive must be received by the Department of Revenue and
74 the Department of Financial Services 30 days before the date of
75 the distribution mandated by law. The Department of Revenue and
76 the Department of Financial Services may implement the
77 provisions of this paragraph.

78 (b) In the case of a special district created by:

79 1. A special act, notify the President of the Senate, the
80 Speaker of the House of Representatives, the standing committees
81 of the Senate and the House of Representatives charged with
82 special district oversight as determined by the presiding
83 officers of each respective chamber, the legislators who
84 represent a portion of the geographical jurisdiction of the
85 special district, and the Department of Economic Opportunity
86 that the special district has failed to comply with the law.
87 Upon receipt of notification, the Department of Economic

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88 Opportunity shall proceed pursuant to s. 189.062 or s. 189.067.
89 If the special district remains in noncompliance after the
90 process set forth in s. 189.0651, or if a public hearing is not
91 held, the Legislative Auditing Committee may request the
92 department to proceed pursuant to s. 189.067(3).

93 2. A local ordinance, notify the chair or equivalent of the
94 local general-purpose government pursuant to s. 189.0652 and the
95 Department of Economic Opportunity that the special district has
96 failed to comply with the law. Upon receipt of notification, the
97 department shall proceed pursuant to s. 189.062 or s. 189.067.
98 If the special district remains in noncompliance after the
99 process set forth in s. 189.0652, or if a public hearing is not
100 held, the Legislative Auditing Committee may request the
101 department to proceed pursuant to s. 189.067(3).

102 3. Any manner other than a special act or local ordinance,
103 notify the Department of Economic Opportunity that the special
104 district has failed to comply with the law. Upon receipt of
105 notification, the department shall proceed pursuant to s.
106 189.062 or s. 189.067(3).

107 (c) In the case of a charter school or charter technical
108 career center, notify the appropriate sponsoring entity, which
109 may terminate the charter pursuant to ss. 1002.33 and 1002.34.

110 Section 2. Present paragraphs (d) through (j) of subsection
111 (7) of section 11.45, Florida Statutes, are redesignated as
112 paragraphs (e) through (k), respectively, and a new paragraph
113 (d) is added to that subsection, to read:

114 11.45 Definitions; duties; authorities; reports; rules.—

115 (7) AUDITOR GENERAL REPORTING REQUIREMENTS.—

116 (d) During the Auditor General's review of audit reports,

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117 he or she shall contact each local government, as defined in s.
118 218.805(2), that is not in compliance with part VIII of chapter
119 218 and request evidence of corrective action. The local
120 government shall provide the Auditor General with evidence of
121 the initiation of corrective action within 45 days after the
122 date it is requested by the Auditor General and evidence of
123 completion of corrective action within 180 days after the date
124 it is requested by the Auditor General. If the local government
125 fails to comply with the Auditor General's request or is unable
126 to take corrective action within the required timeframe, the
127 Auditor General shall notify the Legislative Auditing Committee.

128 Section 3. Subsection (5) of section 125.045, Florida
129 Statutes, is amended to read:

130 125.045 County economic development powers.-

131 (5) (a) By January 15 of each year, ~~2011, and annually~~
132 ~~thereafter,~~ each county shall report to the Office of Economic
133 and Demographic Research ~~the~~ economic development incentives in
134 excess of \$25,000 given to businesses ~~any business~~ during the
135 county's previous fiscal year. The Office of Economic and
136 Demographic Research shall compile the information from the
137 counties into a report and provide the report to the President
138 of the Senate, the Speaker of the House of Representatives, and
139 the Department of Economic Opportunity. The county shall
140 identify whether the economic development incentive is provided
141 directly by the county or by another entity on behalf of the
142 county, as well as the source of local dollars, and any state or
143 federal dollars obligated for the incentive. Economic
144 development incentives, for purposes of this report, are
145 classified as follows ~~include:~~

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146 1. Class one: ~~Direct~~ Financial incentives ~~of monetary~~
147 ~~assistance~~ provided to an individual ~~a business from the county~~
148 ~~or through an organization authorized by the county.~~ Such
149 incentives include: ~~, but are not limited to, grants, loans,~~
150 ~~equity investments, loan insurance and guarantees, and training~~
151 ~~subsidies.~~

152 a. Grants.

153 b. Tax-based credits, refunds, or exemptions.

154 c. Fee-based credits, refunds, or exemptions.

155 d. Loans, loan insurance, or loan guarantees.

156 e. Below-market rate leases or deeds for real property.

157 f. Job training or recruitment.

158 g. Subsidized or discounted government services.

159 h. Infrastructure improvements.

160 2. Class two: General assistance, services, and support
161 provided collectively to businesses with a common interest or
162 purpose. Such incentives include:

163 a. Technical assistance and training.

164 b. Business incubators and accelerators.

165 c. Infrastructure improvements ~~Indirect incentives in the~~
166 ~~form of grants and loans provided to businesses and community~~
167 ~~organizations that provide support to businesses or promote~~
168 ~~business investment or development.~~

169 3. Class three: Business recruitment, retention, or
170 expansion efforts provided to benefit an individual business or
171 class of businesses. Such incentives include:

172 a. Marketing and market research.

173 b. Trade missions and trade shows.

174 c. Site selection.

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175 d. Targeted assistance with the permitting and licensing
176 process.

177 e. Business plan or project development ~~Fee-based or tax-~~
178 ~~based incentives, including, but not limited to, credits,~~
179 ~~refunds, exemptions, and property tax abatement or assessment~~
180 ~~reductions.~~

181 ~~4. Below-market rate leases or deeds for real property.~~

182 (b) A county shall report its economic development
183 incentives in the format specified by the Office of Economic and
184 Demographic Research.

185 (c) The Office of Economic and Demographic Research shall
186 compile the economic development incentives provided by each
187 county in a manner that shows the total of each class of
188 economic development incentives provided by each county and all
189 counties. To the extent possible, the office shall compare the
190 results of the economic development incentives provided by all
191 counties to the results of state incentives provided in similar
192 classes.

193 Section 4. Paragraph (c) of subsection (3) of section
194 129.03, Florida Statutes, is amended to read:

195 129.03 Preparation and adoption of budget.-

196 (3) The county budget officer, after tentatively
197 ascertaining the proposed fiscal policies of the board for the
198 next fiscal year, shall prepare and present to the board a
199 tentative budget for the next fiscal year for each of the funds
200 provided in this chapter, including all estimated receipts,
201 taxes to be levied, and balances expected to be brought forward
202 and all estimated expenditures, reserves, and balances to be
203 carried over at the end of the year.

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204 (c) The board shall hold public hearings to adopt tentative
205 and final budgets pursuant to s. 200.065. The hearings shall be
206 primarily for the purpose of hearing requests and complaints
207 from the public regarding the budgets and the proposed tax
208 levies and for explaining the budget and any proposed or adopted
209 amendments. The tentative budget must be posted on the county's
210 official website at least 2 days before the public hearing to
211 consider such budget and must remain on the website for at least
212 45 days. The final budget must be posted on the website within
213 30 days after adoption and must remain on the website for at
214 least 2 years. The tentative budgets, adopted tentative budgets,
215 and final budgets shall be filed in the office of the county
216 auditor as a public record. Sufficient reference in words and
217 figures to identify the particular transactions must ~~shall~~ be
218 made in the minutes of the board to record its actions with
219 reference to the budgets.

220 Section 5. Paragraph (f) of subsection (2) of section
221 129.06, Florida Statutes, is amended to read:

222 129.06 Execution and amendment of budget.—

223 (2) The board at any time within a fiscal year may amend a
224 budget for that year, and may within the first 60 days of a
225 fiscal year amend the budget for the prior fiscal year, as
226 follows:

227 (f) Unless otherwise prohibited by law, if an amendment to
228 a budget is required for a purpose not specifically authorized
229 in paragraphs (a)-(e), the amendment may be authorized by
230 resolution or ordinance of the board of county commissioners
231 adopted following a public hearing.

232 1. The public hearing must be advertised at least 2 days,

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233 but not more than 5 days, before the date of the hearing. The
234 advertisement must appear in a newspaper of paid general
235 circulation and must identify the name of the taxing authority,
236 the date, place, and time of the hearing, and the purpose of the
237 hearing. The advertisement must also identify each budgetary
238 fund to be amended, the source of the funds, the use of the
239 funds, and the total amount of each fund's appropriations.

240 2. If the board amends the budget pursuant to this
241 paragraph, the adopted amendment must be posted on the county's
242 official website within 5 days after adoption and must remain on
243 the website for at least 2 years.

244 Section 6. Paragraph (e) of subsection (8) of section
245 166.021, Florida Statutes, is amended to read:

246 166.021 Powers.—

247 (8)

248 (e)1. By January 15 of each year, ~~2011, and annually~~
249 ~~thereafter~~, each municipality having annual revenues or
250 expenditures greater than \$250,000 shall report to the Office of
251 Economic and Demographic Research ~~the~~ economic development
252 incentives in excess of \$25,000 given to businesses ~~any business~~
253 during the municipality's previous fiscal year. The Office of
254 Economic and Demographic Research shall compile the information
255 from the municipalities into a report and provide the report to
256 the President of the Senate, the Speaker of the House of
257 Representatives, and the Department of Economic Opportunity. The
258 municipality shall identify whether the economic development
259 incentive was provided directly by the municipality or by
260 another entity on behalf of the municipality, as well as the
261 source of local dollars, and any state or federal dollars

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262 obligated for the incentive. Economic development incentives,
263 for purposes of this report, are classified as follows include:

264 a. Class one: Direct Financial incentives of monetary
265 assistance provided to an individual a business from the
266 municipality or through an organization authorized by the
267 municipality. Such incentives include; ~~but are not limited to,~~
268 ~~grants, loans, equity investments, loan insurance and~~
269 ~~guarantees, and training subsidies.~~

270 (I) Grants.

271 (II) Tax-based credits, refunds, or exemptions.

272 (III) Fee-based credits, refunds, or exemptions.

273 (IV) Loans, loan insurance, or loan guarantees.

274 (V) Below-market rate leases or deeds for real property.

275 (VI) Job training or recruitment.

276 (VII) Subsidized or discounted government services.

277 (VIII) Infrastructure improvements.

278 b. Class two: General assistance, services, and support
279 provided collectively to businesses with a common interest or
280 purpose. Such incentives include:

281 (I) Technical assistance and training.

282 (II) Business incubators and accelerators.

283 (III) Infrastructure improvements ~~Indirect incentives in~~
284 ~~the form of grants and loans provided to businesses and~~
285 ~~community organizations that provide support to businesses or~~
286 ~~promote business investment or development.~~

287 c. Class three: Business recruitment, retention, or
288 expansion efforts provided to benefit an individual business or
289 class of businesses. Such incentives include:

290 (I) Marketing and market research.

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291 (II) Trade missions and trade shows.
 292 (III) Site selection.
 293 (IV) Targeted assistance with the permitting and licensing
 294 process.
 295 (V) Business plan or project development ~~Fee based or tax-~~
 296 ~~based incentives, including, but not limited to, credits,~~
 297 ~~refunds, exemptions, and property tax abatement or assessment~~
 298 ~~reductions.~~
 299 ~~d. Below-market rate leases or deeds for real property.~~
 300 2. A municipality shall report its economic development
 301 incentives in the format specified by the Office of Economic and
 302 Demographic Research.
 303 3. The Office of Economic and Demographic Research shall
 304 compile the economic development incentives provided by each
 305 municipality in a manner that shows the total of each class of
 306 economic development incentives provided by each municipality
 307 and all municipalities. To the extent possible, the office shall
 308 compare the results of the economic development incentives
 309 provided by all municipalities to the results of state
 310 incentives provided in similar classes.
 311 Section 7. Subsections (3) and (5) of section 166.241,
 312 Florida Statutes, are amended to read:
 313 166.241 Fiscal years, budgets, and budget amendments.—
 314 (3) The tentative budget must be posted on the
 315 municipality's official website at least 2 days before the
 316 budget hearing, held pursuant to s. 200.065 or other law, to
 317 consider such budget and must remain on the website for at least
 318 45 days. The final adopted budget must be posted on the
 319 municipality's official website within 30 days after adoption

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320 and must remain on the website for at least 2 years. If the
321 municipality does not operate an official website, the
322 municipality must, within a reasonable period of time as
323 established by the county or counties in which the municipality
324 is located, transmit the tentative budget and final budget to
325 the manager or administrator of such county or counties who
326 shall post the budgets on the county's website.

327 (5) If the governing body of a municipality amends the
328 budget pursuant to paragraph (4)(c), the adopted amendment must
329 be posted on the official website of the municipality within 5
330 days after adoption and must remain on the website for at least
331 2 years. If the municipality does not operate an official
332 website, the municipality must, within a reasonable period of
333 time as established by the county or counties in which the
334 municipality is located, transmit the adopted amendment to the
335 manager or administrator of such county or counties who shall
336 post the adopted amendment on the county's website.

337 Section 8. Section 218.80, Florida Statutes, is transferred
338 and renumbered as section 218.795, Florida Statutes.

339 Section 9. Part VIII of chapter 218, Florida Statutes,
340 consisting of sections 218.801, 218.803, 218.805, 218.81,
341 218.82, 218.83, 218.84, 218.88, and 218.89, is created to read:

342 PART VIII

343 LOCAL GOVERNMENT FISCAL TRANSPARENCY ACT

344 218.801 Short title.—This part may be cited as the "Local
345 Government Fiscal Transparency Act."

346 218.803 Purpose.—The purpose of this part is to promote the
347 fiscal transparency of local governments when using public funds
348 by requiring additional public noticing of proposed local

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349 government actions that would increase taxes, enact new taxes,
350 extend expiring taxes, or issue tax-supported debt and requiring
351 voting records of local governing bodies related to such actions
352 to be easily and readily accessible by the public.

353 218.805 Definitions.—As used in this part, the term:

354 (1) "Debt" means bonds, loans, promissory notes, lease-
355 purchase agreements, certificates of participation, installment
356 sales, leases, or any other financing mechanisms or financial
357 arrangements, whether or not a debt for legal purposes, for
358 financing or refinancing the acquisition, construction,
359 improvement, or purchase of capital improvement projects.

360 (2) "Local government" means any county, municipality,
361 school district, special district dependent to a county or
362 municipality, municipal service taxing unit, or independent
363 special district, but does not include special dependent or
364 independent districts established to provide hospital services,
365 provided such special districts do not levy, assess, and collect
366 ad valorem taxes.

367 (3) "Tax increase" means:

368 (a) For ad valorem taxes, any increase in a local
369 government's millage rate above the rolled-back rate as defined
370 in s. 200.065(1).

371 (b) For all other taxes, a tax enactment, tax extension, or
372 an increase in the tax rate.

373 (4) "Tax-supported debt" means debt with a duration of more
374 than 5 years secured in whole or in part by state or local tax
375 levies, whether such security is direct or indirect, explicit or
376 implicit, and includes, but is not limited to, debt for which
377 annual appropriations pledged for payment are from government

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378 fund types receiving tax revenues or shared revenues from state
379 tax sources. The term does not include debt secured solely by
380 revenues generated by the project that is financed with the
381 debt.

382 218.81 Voting record access.—

383 (1) Each local government shall post on its website, in a
384 manner that is easily accessible to the public, a history of the
385 voting record of each action taken by the local governing board
386 which addressed a tax increase or new tax-supported debt
387 issuance, except debt that was refinanced or refunded and that
388 did not extend the term or increase the outstanding principal
389 amount of the original debt, as follows:

390 (a) By October 1, 2018, the voting record history from the
391 preceding year;

392 (b) By October 1, 2019, the voting record history from the
393 preceding 2 years;

394 (c) By October 1, 2020, the voting record history from the
395 preceding 3 years; and

396 (d) By October 1, 2021, and thereafter, the voting record
397 history required pursuant to this subsection from the preceding
398 4 years.

399 (2) The website must provide links to allow users to
400 navigate to related sites if supporting details or documentation
401 are available.

402 (3) In any public notice of a tax increase or the issuance
403 of new tax-supported debt, each local government shall include
404 with the public notice the website address where the voting
405 records can be accessed.

406 218.82 Property tax information and history.—

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407 (1) Each county property appraiser, as defined in s.
408 192.001, shall maintain a website that includes, in a manner
409 easily accessible to the public, links that provide access to:

410 (a) The notice of proposed property taxes and non-ad
411 valorem assessments required under s. 200.069 for each parcel of
412 property in that county; and

413 (b) A history of the millage rate and the amount of tax
414 levied by each taxing authority on each parcel, as follows:

415 1. By October 1, 2018, the history from the 2 preceding
416 years;

417 2. By October 1, 2019, the history from the 3 preceding
418 years; and

419 3. By October 1, 2020, and thereafter, the history from the
420 4 preceding years.

421
422 This subsection does not apply to information that is otherwise
423 exempt from public disclosure.

424 (2) Each local government shall post on its website, in a
425 manner that is easily accessible to the public, links that
426 provide access to a history of each of its millage rates and the
427 total annual amount of revenue generated by each of these
428 levies, as follows:

429 (a) By October 1, 2018, the history from the 2 preceding
430 years;

431 (b) By October 1, 2019, the history from the 3 preceding
432 years; and

433 (c) By October 1, 2020, and thereafter, the history from
434 the 4 preceding years.

435 218.83 Expanded public noticing of tax increases and new

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436 tax-supported debt issuance.—

437 (1) For the purpose of this section, the term "tax
438 increase" does not include an ad valorem tax increase or taxes
439 enacted, extended, or increased by referendum.

440 (2) A local government that intends to vote on a proposed
441 tax increase or the issuance of new tax-supported debt shall
442 advertise a public hearing to solicit public input concerning
443 the proposed tax increase or new tax-supported debt issuance.
444 This public hearing must occur at least 14 days prior to the
445 date that the local governing body meets to take a final vote on
446 the tax increase or issuance of new tax-supported debt. Any
447 hearing required under this subsection shall be held after 5
448 p.m. if scheduled on a day other than Saturday. No hearing shall
449 be held on a Sunday. The general public shall be allowed to
450 speak and to ask questions relevant to the tax increase or the
451 tax-supported debt issuance. The local government shall provide
452 public notice as set forth in subsection (4).

453 (3) (a) If, following the public hearing required under
454 subsection (2), the local government intends to proceed with a
455 vote to approve a tax increase or the new issuance of tax-
456 supported debt, the local government shall provide public notice
457 in the manner set forth in subsection (4) at least 10 days prior
458 to the date of the scheduled public meeting.

459 (b) For a tax increase, the notice shall also include, at a
460 minimum:

461 1. A statement prominently posted that the local government
462 intends to vote on a proposed new tax enactment, tax extension,
463 or tax rate increase.

464 2. The time and place of the meeting.

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465 3. The amount of the tax increase, including both the rate
466 and total amount of annual revenue expected to be generated and
467 the expected annual revenue expressed as a percentage of the
468 government's general fund revenue.

469 4. A detailed explanation of the intended uses of the levy.

470 5. A statement indicating whether the local government
471 expects to use the proceeds to secure debt.

472 (c) For new tax-supported debt issuance, the notice shall
473 also include, at a minimum:

474 1. A statement prominently posted that the local government
475 intends to vote on a proposed new issuance of tax-supported
476 debt.

477 2. The time and place of the meeting.

478 3. A truth in bonding statement in substantially the
479 following form:

480 The ... (insert local government name) ... is proposing to
481 issue ... \$... (insert principal) ... of debt or obligation for
482 the purpose of ... (insert purpose) ... This debt or obligation
483 is expected to be repaid over a period of ... (insert term of
484 issue) ... years. At a forecasted interest rate of ... (insert
485 rate of interest) ..., total interest paid over the life of the
486 debt or obligation will be ... \$... (insert sum of interest
487 payments) ... The source of repayment or security for this
488 proposal is the ... (insert the local government name) ...
489 existing ... (insert fund) ... Authorizing this debt or
490 obligation will result in \$... (insert the annual amount) ... of
491 ... (insert local government name) ... (insert fund) ... moneys
492 not being available to finance the other services of the
493 ... (insert local government name) ... each year for ... (insert

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494 the length of the debt or obligation)....

495 4. Presentation of the debt affordability ratios calculated
496 pursuant to s. 218.84, described in substantially the following
497 form:

498 The following ratios measure the affordability of
499 outstanding and proposed new long-term, tax-supported debt
500 issued by ...(insert local government name).... The ratios show
501 debt service as a percentage of the revenues available to
502 support that debt, including the new debt being proposed
503 ...(insert 5 year history and 2 year projection of debt
504 affordability ratio)....

505 (4) The notice provided by a local government announcing a
506 public hearing to take public input as set forth in subsection
507 (2) or the public meeting to take a final vote as set forth in
508 subsection (3) must meet the following requirements:

509 (a) The local government must advertise the notice in a
510 newspaper of general circulation in the county or counties where
511 the local government exists. A local government may advertise in
512 a geographically limited insert of a general circulation
513 newspaper if the region encompassed by the insert contains the
514 jurisdictional boundaries of the local government. The newspaper
515 must be of general interest with readership in the community and
516 not one of limited subject matter, pursuant to chapter 50. The
517 advertisement must be at least one-quarter page in size of a
518 standard size newspaper or a half-page in size of a tabloid size
519 newspaper, and the headline in the advertisement must be in a
520 type no smaller than 18 point. The advertisement may not be
521 placed in that portion of the newspaper where legal notices and
522 classified advertisements appear. The advertisement must appear

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523 in a newspaper that is published at least 5 days a week unless
524 the only newspaper in the county is published less than 5 days a
525 week. If the advertisement appears in a geographically limited
526 insert of a general circulation newspaper, the insert must be
527 one that is published at least twice a week throughout the local
528 government's jurisdiction. In lieu of publishing the notice set
529 out in this paragraph, the local government may mail a copy of
530 the notice to each elector residing within the jurisdiction of
531 the local government; and

532 (b) The local government must post on its website in a
533 manner that is easily accessible to the public the information
534 required under subsections (2) and (3), as applicable.

535 (5) This section does not apply to the refinancing or
536 refunding of debt that does not extend the term or increase the
537 outstanding principal amount of the original debt.

538 218.84 Local government debt fiscal responsibility.-

539 (1) It is the public policy of this state to encourage
540 local governments to exercise prudence in authorizing and
541 issuing debt. Before a local government authorizes debt, it must
542 consider its ability to meet its total debt service requirements
543 in light of other demands on the local government's fiscal
544 resources. Each local government shall perform a debt
545 affordability analysis as set forth in subsection (2), and the
546 governing board shall consider the analysis before approving the
547 issuance of new tax-supported debt.

548 (2) The debt affordability analysis shall, at a minimum,
549 consist of the calculation of the local government's actual debt
550 affordability ratio for the 5 fiscal years prior to the year the
551 debt is expected to be issued and a projection of the ratio for

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552 at least the first 2 fiscal years in which the new debt is
553 expected to be issued. The analysis shall include a comparison
554 of the debt affordability ratio with and without the new debt
555 issuance.

556 (3) The debt affordability ratio for a given fiscal year
557 shall be a ratio:

558 (a) The denominator of which is the total annual revenues
559 available to pay debt service on outstanding tax-supported debt
560 of the local government; and

561 (b) The numerator of which is the total annual debt service
562 for outstanding tax-supported debt of the local government.

563 218.88 Audits.—Audits of financial statements of local
564 governments which are performed by a certified public accountant
565 pursuant to s. 218.39 and submitted to the Auditor General must
566 be accompanied by an affidavit executed by the chair of the
567 governing board of the local government stating that the local
568 government has complied with this part. The affidavit must be
569 filed with the Auditor General, or in the event the local
570 government has not complied with this part, the affidavit shall
571 instead include a description of the noncompliance and
572 corrective action taken by the local government to correct the
573 noncompliance and to prevent such noncompliance in the future.

574 218.89 Local government websites.—If a local government is
575 required under this part to post information on its website, but
576 does not operate an official website, the local government must
577 provide the appropriate county or municipality within which the
578 local government is located the information required to be
579 posted, and each county or municipality shall post the required
580 information on its website.

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581 Section 10. Paragraph (e) of subsection (1) of section
582 218.32, Florida Statutes, is amended to read:

583 218.32 Annual financial reports; local governmental
584 entities.—

585 (1)

586 (e) Each local governmental entity that is not required to
587 provide for an audit under s. 218.39 must submit the annual
588 financial report to the department no later than 9 months after
589 the end of the fiscal year. The department shall consult with
590 the Auditor General in the development of the format of annual
591 financial reports submitted pursuant to this paragraph. The
592 format must include balance sheet information used by the
593 Auditor General pursuant to s. 11.45(7)(g) ~~s. 11.45(7)(f)~~. The
594 department must forward the financial information contained
595 within the annual financial reports to the Auditor General in
596 electronic form. This paragraph does not apply to housing
597 authorities created under chapter 421.

598 Section 11. The Legislature finds that this act fulfills an
599 important state interest.

600 Section 12. This act shall take effect July 1, 2018.