

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED \_\_\_\_\_ (Y/N)  
ADOPTED AS AMENDED \_\_\_\_\_ (Y/N)  
ADOPTED W/O OBJECTION \_\_\_\_\_ (Y/N)  
FAILED TO ADOPT \_\_\_\_\_ (Y/N)  
WITHDRAWN \_\_\_\_\_ (Y/N)  
OTHER \_\_\_\_\_

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1 Committee/Subcommittee hearing bill: Public Integrity &  
2 Elections Committee

3 Representative Maggard offered the following:

4  
5 **Amendment (with title amendment)**

6 Remove everything after the enacting clause and insert:

7 Section 1. Section 189.0695, Florida Statutes, is created  
8 to read:

9 189.0695 Independent special districts; performance  
10 reviews.—

11 (1) For purposes of this section, the term "performance  
12 review" means an evaluation of an independent special district  
13 and its programs, activities, and functions. The term includes  
14 research and analysis of the following:

15 (a) The special district's purpose and goals as stated in  
16 its charter.

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17        (b) The special district's goals and objectives for each  
18 program and activity, the problem or need that the program or  
19 activity was designed to address, the expected benefits of each  
20 program and activity, and the performance measures and standards  
21 used by the special district to determine if the program or  
22 activity achieves the district's goals and objectives.

23        (c) The delivery of services by the special district,  
24 including alternative methods of providing those services that  
25 would reduce costs and improve performance.

26        (d) A comparison of similar services provided by the  
27 county and municipal governments located wholly or partially  
28 within the boundaries of the special district, including  
29 similarities and differences in services, relative costs and  
30 efficiencies, and possible service consolidations.

31        (e) The revenues and costs of programs and activities of  
32 the special district, using data from the current year and the  
33 previous 3 fiscal years.

34        (f) The extent to which the special district's goals and  
35 objectives have been achieved.

36        (g) Any performance measures and standards of the special  
37 district's program and activities using data from the current  
38 year and the previous 3 fiscal years.

39        (h) Factors that have contributed to any failure to meet  
40 the special district's performance measures and standards or  
41 achieve the district's goals and objectives.

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42 (i) Recommendations for statutory or budgetary changes to  
43 improve the special district's program operations, reduce costs,  
44 or reduce duplication.

45 (2) (a) Each independent special district as described in  
46 subparagraph (d)1. that is not located in a rural area of  
47 opportunity as defined in s. 288.0656(2) and each independent  
48 special district as described in subparagraph (d)2. must  
49 contract with an independent entity to conduct a performance  
50 review of the district. The independent entity must have at  
51 least 5 years of experience conducting performance reviews of  
52 organizations similar in size and function to the independent  
53 special district under review, must conduct the review according  
54 to applicable industry best practices, and must have no  
55 affiliation with or financial involvement in the reviewed  
56 district.

57 (b) The Office of Program Policy Analysis and Government  
58 Accountability must conduct a performance review of each  
59 independent special district as described in subparagraph (d)1.  
60 that is located in a rural area of opportunity as defined in s.  
61 288.0656(2) and may contract as needed to complete this  
62 requirement.

63 (c) The final report of the performance review must be  
64 filed with the governing board of the district, the Auditor  
65 General, the President of the Senate, and the Speaker of the  
66 House of Representatives no later than 9 months from the

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67 beginning of the district's fiscal year according to the  
68 schedule provided in paragraph (d). However, a performance audit  
69 of an independent special district conducted by the Auditor  
70 General during the same fiscal year in which a performance  
71 review is due pursuant to paragraph (d) qualifies as that  
72 district's scheduled performance review under this section.

73 (d)1. Beginning October 1, 2022, and every 5 years  
74 thereafter, each independent special fire control district as  
75 defined in s. 191.003, must have a performance review conducted.

76 2. Beginning October 1, 2023, and every 5 years  
77 thereafter, each hospital licensed under chapter 395 which is  
78 governed by the governing body of a special district as defined  
79 in s. 189.012 or by the board of trustees of a public health  
80 trust created under s. 154.07, must have a performance review  
81 conducted.

82 (3) The Office of Program Policy Analysis and Government  
83 Accountability must conduct a performance review of all  
84 independent special districts within the classifications  
85 described in paragraphs (a) and (b) and may contract as needed  
86 to complete the requirements of this subsection. The Office of  
87 Program Policy Analysis and Government Accountability shall  
88 submit the final report of the performance review to the  
89 President of the Senate and the Speaker of the House of  
90 Representatives as follows:

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91           (a) For all independent mosquito control districts as  
92 defined in s. 388.011, no later than September 30, 2023.

93           (b) For all soil and water conservation districts as  
94 defined in s. 582.01, no later than September 30, 2024.

95           Section 2. Paragraph (e) of subsection (1) of section  
96 218.32, Florida Statutes, is amended to read:

97           218.32 Annual financial reports; local governmental  
98 entities.—

99           (1)(e)1. Each local governmental entity that is not  
100 required to provide for an audit under s. 218.39 must submit the  
101 annual financial report to the department no later than 9 months  
102 after the end of the fiscal year. The department shall consult  
103 with the Auditor General in the development of the format of  
104 annual financial reports submitted pursuant to this paragraph.  
105 The format must include balance sheet information used by the  
106 Auditor General pursuant to s. 11.45(7)(f). The department must  
107 forward the financial information contained within the annual  
108 financial reports to the Auditor General in electronic form.  
109 This paragraph does not apply to housing authorities created  
110 under chapter 421.

111           2. The annual financial report filed by a dependent  
112 special district or an independent special district shall  
113 specify separately:

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114 a. The total number of district employees compensated in  
115 the last pay period of the district's fiscal year being  
116 reported.

117 b. The total number of independent contractors to whom  
118 nonemployee compensation was paid in the last month of the  
119 district's fiscal year being reported.

120 c. All compensation earned by or awarded to employees,  
121 whether paid or accrued, regardless of contingency.

122 d. All compensation earned by or awarded to nonemployee  
123 independent contractors, whether paid or accrued, regardless of  
124 contingency.

125 e. Each construction project with a total cost of at least  
126 \$65,000 approved by the district that is scheduled to begin on  
127 or after October 1 of the fiscal year being reported, together  
128 with the total expenditures for such project.

129 3. The annual financial report of a dependent special  
130 district or an independent special district amending a final  
131 adopted budget under s. 189.016(6) must include a budget  
132 variance report based on the budget adopted under s. 189.016(4)  
133 before the beginning of the fiscal year being reported.

134 4. The annual financial report of an independent special  
135 district that imposes ad valorem taxes shall include the millage  
136 rate or rates imposed by the district, the total amount of ad  
137 valorem taxes collected by or on behalf of the district, and the

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138 total amount of outstanding bonds issued by the district and the  
139 terms of such bonds.

140 5. The annual financial report of an independent special  
141 district that imposes non-ad valorem special assessments shall  
142 include the rate or rates of such assessments imposed by the  
143 district, the total amount of special assessments collected by  
144 or on behalf of the district, and the total amount of  
145 outstanding bonds issued by the district and the terms of such  
146 bonds.

147 Section 3. Paragraph (h) of subsection (1) of section  
148 218.39, Florida Statutes, is redesignated as paragraph (i),  
149 subsection (3) of that section is amended, and a new paragraph  
150 (h) is added to subsection (1), to read:

151 218.39 Annual financial audit reports.—

152 (1) If, by the first day in any fiscal year, a local  
153 governmental entity, district school board, charter school, or  
154 charter technical career center has not been notified that a  
155 financial audit for that fiscal year will be performed by the  
156 Auditor General, each of the following entities shall have an  
157 annual financial audit of its accounts and records completed  
158 within 9 months after the end of its fiscal year by an  
159 independent certified public accountant retained by it and paid  
160 from its public funds:

161 (h) As required by s. 163.387(8) (a), each community  
162 redevelopment agency with revenues or a total of expenditures

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163 and expenses in excess of \$100,000, as reported on the trust  
164 fund financial statements.

165 (3) (a) A dependent special district, excluding a community  
166 redevelopment agency with revenues or a total of expenditures  
167 and expenses in excess of \$100,000, as reported on the trust  
168 fund financial statements, may provide for an annual financial  
169 audit by being included in the audit of the local governmental  
170 entity upon which it is dependent. An independent special  
171 district may not make provision for an annual financial audit by  
172 being included in the audit of another local governmental  
173 entity.

174 (b) A special district that is a component unit, as  
175 defined by generally accepted accounting principles, of a local  
176 governmental entity shall provide the local governmental entity,  
177 within a reasonable time period as established by the local  
178 governmental entity, with financial information necessary to  
179 comply with this section. The failure of a component unit to  
180 provide this financial information must be noted in the annual  
181 financial audit report of the local governmental entity.

182 (c) The financial audit of a dependent special district or  
183 of an independent special district, or the financial audit of a  
184 local governmental entity that includes the information of a  
185 dependent special district as provided in paragraph (a) of this  
186 subsection, shall separately include and specify the information  
187 required in s. 218.32(1)(e)2.-5.

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188 Section 4. This act shall take effect October 1, 2021.

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191 **T I T L E A M E N D M E N T**

192 Remove everything before the enacting clause and insert:

193 A bill to be entitled

194 An act relating to special district accountability;  
195 creating s. 189.0695, F.S.; defining the term  
196 "performance review"; requiring certain independent  
197 special districts to contract with an independent  
198 entity to conduct performance reviews; providing an  
199 exception; specifying the frequency of such reviews;  
200 requiring the Office of Program Policy Analysis and  
201 Governmental Accountability to conduct performance  
202 reviews of certain classifications of independent  
203 special districts; providing criteria for contracting  
204 for such reviews; requiring the performance reviews to  
205 be reported by a time certain to specified entities;  
206 amending s. 218.32, F.S.; requiring additional  
207 information to be provided by special districts in  
208 their annual reports; amending s. 218.39, F.S.;  
209 requiring certain data be included in financial audits  
210 of special districts; requiring certain community  
211 redevelopment agencies to file separate audited  
212 financial statements; providing an effective date.