

By Senator Diaz

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1                   A bill to be entitled  
2       An act relating to local government fiscal  
3       transparency; amending s. 11.40, F.S.; expanding the  
4       scope of a Legislative Auditing Committee review to  
5       include compliance with local government fiscal  
6       transparency requirements; amending s. 11.45, F.S.;  
7       providing procedures for the Auditor General and local  
8       governments to comply with the local government fiscal  
9       transparency requirements; amending ss. 125.045 and  
10      166.021, F.S.; revising reporting requirements for  
11      certain local government economic development  
12      incentives; revising classifications for economic  
13      development incentives; requiring the Office of  
14      Economic and Demographic Research to compare certain  
15      results; renumbering s. 218.80, F.S., relating to the  
16      Public Bid Disclosure Act; creating part VIII of ch.  
17      218, F.S., consisting of ss. 218.801, 218.803,  
18      218.805, 218.81, 218.82, 218.83, 218.84, 218.88, and  
19      218.89, F.S.; providing a short title; providing a  
20      purpose; defining terms; requiring local governments  
21      to post certain voting record information on their  
22      websites; requiring local government websites to  
23      provide links to related websites under certain  
24      circumstances; requiring such websites and the  
25      information on those websites to comply with a  
26      specified federal law; requiring property appraisers  
27      and local governments to post certain property tax  
28      information and history on their websites; requiring  
29      public notices for public hearings and meetings before

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30 certain tax increases or the issuance of new tax-  
31 supported debt; specifying noticing and advertising  
32 requirements for such public hearings and meetings;  
33 providing applicability; requiring local governments  
34 to conduct certain debt affordability analyses under  
35 specified conditions; specifying requirements for the  
36 analyses; requiring audits of local governments to  
37 include affidavits executed by the chair of the local  
38 government governing board; requiring specified  
39 information to accompany audits of local governments  
40 and to be filed with the Auditor General; providing a  
41 method to post certain required information for local  
42 governments that do not operate a website; amending  
43 ss. 215.97 and 218.32, F.S.; conforming cross-  
44 references; declaring that the act fulfills an  
45 important state interest; providing an effective date.  
46

47 Be It Enacted by the Legislature of the State of Florida:  
48

49 Section 1. Subsection (2) of section 11.40, Florida  
50 Statutes, is amended to read:

51 11.40 Legislative Auditing Committee.—

52 (2) Following notification by the Auditor General, the  
53 Department of Financial Services, the Division of Bond Finance  
54 of the State Board of Administration, the Governor or his or her  
55 designee, or the Commissioner of Education or his or her  
56 designee of the failure of a local governmental entity, district  
57 school board, charter school, or charter technical career center  
58 to comply with the applicable provisions within s. 11.45(5)-(7),

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59 s. 218.32(1), s. 218.38, ~~or~~ s. 218.503(3), or part VIII of  
60 chapter 218, the Legislative Auditing Committee may schedule a  
61 hearing to determine if the entity should be subject to further  
62 state action. If the committee determines that the entity should  
63 be subject to further state action, the committee shall:

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

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

76 1. A special act, notify the President of the Senate, the  
77 Speaker of the House of Representatives, the standing committees  
78 of the Senate and the House of Representatives charged with  
79 special district oversight as determined by the presiding  
80 officers of each respective chamber, the legislators who  
81 represent a portion of the geographical jurisdiction of the  
82 special district, and the Department of Economic Opportunity  
83 that the special district has failed to comply with the law.  
84 Upon receipt of notification, the Department of Economic  
85 Opportunity shall proceed pursuant to s. 189.062 or s. 189.067.  
86 If the special district remains in noncompliance after the  
87 process set forth in s. 189.0651, or if a public hearing is not

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88 held, the Legislative Auditing Committee may request the  
89 department to proceed pursuant to s. 189.067(3).

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

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

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

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

111 11.45 Definitions; duties; authorities; reports; rules.—

112 (7) AUDITOR GENERAL REPORTING REQUIREMENTS.—

113 (d) During the Auditor General's review of audit reports,  
114 the Auditor General shall contact each local government, as  
115 defined in s. 218.805(2), that is not in compliance with part  
116 VIII of chapter 218 and request evidence of corrective action.

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117 The local government shall provide the Auditor General with  
118 evidence of the initiation of corrective action within 45 days  
119 after the date it is requested by the Auditor General and  
120 evidence of completion of corrective action within 180 days  
121 after the date it is requested by the Auditor General. If the  
122 local government fails to comply with the Auditor General's  
123 request or is unable to take corrective action within the  
124 required timeframe, the Auditor General shall notify the  
125 Legislative Auditing Committee.

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

128 125.045 County economic development powers.—

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

144 1. Class I: Direct ~~Financial~~ incentives ~~of monetary~~  
145 ~~assistance~~ provided to an individual ~~a business from the county~~

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146 ~~or through an organization authorized by the county. Such~~  
147 ~~incentives include;~~ but are not limited to, grants, loans,  
148 ~~equity investments, loan insurance and guarantees, and training~~  
149 ~~subsidies.~~

150 a. Grants.

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

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

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

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

155 f. Job training or recruitment.

156 g. Subsidized or discounted government services.

157 h. Infrastructure improvements.

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

161 a. Technical assistance and training.

162 b. Business incubators and accelerators.

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

167 3. Class III: Business recruitment, retention, or expansion  
168 efforts provided to benefit an individual business or a class of  
169 businesses. Such incentives include:

170 a. Marketing and market research.

171 b. Trade missions and trade shows.

172 c. Site selection.

173 d. Targeted assistance with the permitting and licensing  
174 process.

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

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

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

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

191 Section 4. Paragraph (e) of subsection (8) of section  
192 166.021, Florida Statutes, is amended to read:

193 166.021 Powers.—

194 (8)

195 (e)1. By January 15 of each year ~~By January 15, 2011, and~~  
196 ~~annually thereafter,~~ each municipality having annual revenues or  
197 expenditures greater than \$250,000 shall report to the Office of  
198 Economic and Demographic Research ~~the~~ economic development  
199 incentives in excess of \$25,000 given to each business ~~any~~  
200 ~~business~~ during the municipality's previous fiscal year. The  
201 Office of Economic and Demographic Research shall compile the  
202 information from the municipalities into a report and provide  
203 the report to the President of the Senate, the Speaker of the

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204 House of Representatives, and the Department of Economic  
205 Opportunity. Each municipality must identify whether the  
206 economic development incentives were provided directly by the  
207 municipality or by another entity on behalf of the municipality,  
208 as well as the source of local dollars and any state or federal  
209 dollars obligated for the incentive. Economic development  
210 incentives are classified as follows ~~include:~~

211 a. Class I: Direct ~~Financial incentives of monetary~~  
212 ~~assistance provided to an individual~~ a business from the  
213 ~~municipality or through an organization authorized by the~~  
214 ~~municipality.~~ Such incentives include; ~~but are not limited to,~~  
215 ~~grants, loans, equity investments, loan insurance and~~  
216 ~~guarantees, and training subsidies.~~

217 (I) Grants.

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

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

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

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

222 (VI) Job training or recruitment.

223 (VII) Subsidized or discounted government services.

224 (VIII) Infrastructure improvements.

225 b. Class II: General assistance, services, and support  
226 provided collectively to businesses with a common interest or  
227 purpose. Such incentives include:

228 (I) Technical assistance and training.

229 (II) Business incubators and accelerators.

230 (III) Infrastructure improvements ~~Indirect incentives in~~  
231 ~~the form of grants and loans provided to businesses and~~  
232 ~~community organizations that provide support to businesses or~~



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233 ~~promote business investment or development.~~

234 c. Class III: Business recruitment, retention, or expansion  
235 efforts provided to benefit an individual business or a class of  
236 businesses. Such incentives include:

237 (I) Marketing and market research.

238 (II) Trade missions and trade shows.

239 (III) Site selection.

240 (IV) Targeted assistance with the permitting and licensing  
241 process.

242 (V) Business plan or project development ~~Fee-based or tax-~~  
243 ~~based incentives, including, but not limited to, credits,~~  
244 ~~refunds, exemptions, and property tax abatement or assessment~~  
245 ~~reductions.~~

246 ~~d. Below-market rate leases or deeds for real property.~~

247 2. A municipality shall report its economic development  
248 incentives in the format specified by the Office of Economic and  
249 Demographic Research.

250 3. The Office of Economic and Demographic Research shall  
251 compile the economic development incentives provided by each  
252 municipality in a manner that shows the total of each class of  
253 economic development incentives provided by each municipality  
254 and all municipalities. To the extent possible, the office shall  
255 compare the results of the economic development incentives  
256 provided by all municipalities to the results of state  
257 incentives provided within similar classes.

258 Section 5. Section 218.80, Florida Statutes, is renumbered  
259 as section 218.795, Florida Statutes.

260 Section 6. Part VIII of chapter 218, Florida Statutes,  
261 consisting of sections 218.801, 218.803, 218.805, 218.81,

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262 218.82, 218.83, 218.84, 218.88, and 218.89, is created to read:

263 PART VIII

264 LOCAL GOVERNMENT FISCAL TRANSPARENCY ACT

265 218.801 Short title.—This part may be cited as the “Local  
266 Government Fiscal Transparency Act.”

267 218.803 Purpose.—The purpose of this part is to promote the  
268 fiscal transparency of local governments when using public funds  
269 by requiring additional public noticing of proposed local  
270 government actions that increase taxes, enact new taxes, extend  
271 expiring taxes, or issue tax-supported debt and by requiring  
272 voting records of local governing bodies related to such actions  
273 to be easily and readily accessible by the public.

274 218.805 Definitions.—As used in this part, the term:

275 (1) “Debt” means bonds, loans, promissory notes, lease-  
276 purchase agreements, certificates of participation, installment  
277 sales, leases, or any other financing mechanisms or financial  
278 arrangements, regardless of whether they are debt for legal  
279 purposes or for financing or refinancing the acquisition,  
280 construction, improvement, or purchase of capital outlay  
281 projects.

282 (2) “Local government” means any county, municipality,  
283 school district, special district dependent upon a county or  
284 municipality, municipal service taxing unit, or independent  
285 special district, but does not include special dependent or  
286 independent districts established to provide hospital services,  
287 provided such special districts do not levy, assess, or collect  
288 ad valorem taxes.

289 (3) “Tax increase” means:

290 (a) For ad valorem taxes, any increase in a local

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291 government's millage rate above the rolled-back rate as  
292 described in s. 200.065(1).

293 (b) For all other taxes, an increase in the tax rate, the  
294 enactment of a new tax, or an extension of a tax.

295 (4) "Tax-supported debt" means debt with a duration of more  
296 than 5 years secured in whole or in part by state or local tax  
297 levies, regardless of whether such security is direct or  
298 indirect or explicit or implicit, and includes debt for which  
299 annual appropriations pledged for payment are from government  
300 fund types receiving tax revenues or shared revenues from state  
301 tax sources. The term does not include debt secured solely by  
302 revenues generated by the project that is financed with the  
303 debt.

304 218.81 Voting record access.-

305 (1) Each local government shall post on its website, in a  
306 manner that is easily accessible to the public, a history of the  
307 voting record of each action taken by the local governing board  
308 that addressed a tax increase or new tax-supported debt  
309 issuance, except debt that was refinanced or refunded and that  
310 did not extend the term or increase the outstanding principal  
311 amount of the original debt, as follows:

312 (a) By October 1, 2021, the voting record history from the  
313 preceding year.

314 (b) By October 1, 2022, the voting record history from the  
315 preceding 2 years.

316 (c) By October 1, 2023, the voting record history from the  
317 preceding 3 years.

318 (d) By October 1, 2024, and each October 1 thereafter, the  
319 voting record history from the preceding 4 years.

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320 (2) The local government's website must provide links to  
321 allow users to navigate to related websites if supporting  
322 details or documentation are available, and the websites and the  
323 information on those websites must comply with the Americans  
324 with Disabilities Act.

325 (3) In each public notice of a tax increase or the issuance  
326 of new tax-supported debt, each local government shall include  
327 with the public notice the website address at which the voting  
328 records can be accessed.

329 218.82 Property tax information and history.—

330 (1) Each county property appraiser, as defined in s.  
331 192.001(3), shall maintain a website that includes, in a manner  
332 easily accessible to the public, links that provide access to:

333 (a) The notice of proposed property taxes and non-ad  
334 valorem assessments required under s. 200.069 for each parcel of  
335 property in the county.

336 (b) A history of the millage rate and the amount of tax  
337 levied by each taxing authority on each parcel in the county as  
338 follows:

339 1. By October 1, 2021, the history from the preceding 2  
340 years.

341 2. By October 1, 2022, the history from the preceding 3  
342 years.

343 3. By October 1, 2023, and each October 1 thereafter, the  
344 history from the preceding 4 years.

345  
346 This subsection does not apply to information that is otherwise  
347 exempt from public disclosure.

348 (2) Each local government shall post on its website, in a

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349 manner that is easily accessible to the public, links that  
350 provide access to a history of each of its millage rates and the  
351 total annual amount of revenue generated by each of these  
352 levies, as follows:

353 (a) By October 1, 2021, the history from the preceding 2  
354 years.

355 (b) By October 1, 2022, the history from the preceding 3  
356 years.

357 (c) By October 1, 2023, and each October 1 thereafter, the  
358 history from the preceding 4 years.

359 218.83 Expanded public noticing of tax increases and  
360 issuance of new tax-supported debt.—

361 (1) For purposes of this section, the term "tax increase"  
362 does not include an ad valorem tax increase and the term "tax-  
363 supported debt" does not include debt approved by referendum and  
364 secured by ad valorem taxes.

365 (2) A local government that intends to vote on a proposed  
366 tax increase or the issuance of new tax-supported debt shall  
367 advertise a public hearing to solicit public input concerning  
368 the proposed tax increase or the issuance of new tax-supported  
369 debt. This public hearing must occur at least 14 days before the  
370 scheduled date of the local governing board meeting to take a  
371 final vote on the proposed tax increase or the issuance of new  
372 tax-supported debt. Any hearing required under this subsection  
373 shall be held after 5 p.m. if scheduled on a day other than  
374 Saturday. A hearing may not be held on a Sunday. The general  
375 public must be allowed to speak and to ask questions relevant to  
376 the proposed tax increase or the issuance of new tax-supported  
377 debt. The local government shall provide public notice as

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378 provided in subsection (4).

379 (3)(a) If, following the public hearing, the local  
380 government intends to proceed with a vote to approve a tax  
381 increase or the issuance of tax-supported debt, the local  
382 government shall provide public notice in the manner set forth  
383 in subsection (4) at least 10 days before the scheduled public  
384 meeting date.

385 (b) For a proposed tax increase, the notice must also  
386 include, at a minimum:

387 1. A statement prominently posted that the local government  
388 intends to vote on a proposed tax, tax extension, or tax  
389 increase.

390 2. The time and place of the public meeting.

391 3. The amount of the tax increase, including both the rate  
392 and the total amount of annual revenue expected to be generated  
393 and the expected annual revenue expressed as a percentage of the  
394 government's general fund revenue.

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

396 5. A statement indicating whether the local government  
397 expects to use the proceeds to secure debt.

398 (c) For new tax-supported debt issuance, the notice must  
399 also include, at a minimum:

400 1. A statement prominently posted that the local government  
401 intends to vote on a proposed new issuance of tax-supported  
402 debt.

403 2. The time and place of the public meeting.

404 3. A truth-in-bonding statement in substantially the  
405 following form:

406 "The ...(insert local government name)... is proposing to

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407 issue \$...(insert principal)... of debt or obligation for the  
408 purpose of ...(insert purpose).... This debt or obligation is  
409 expected to be repaid over a period of ...(insert term of  
410 issue)... years. At a forecasted interest rate of ...(insert  
411 rate of interest)..., total interest paid over the life of the  
412 debt or obligation will be \$...(insert sum of interest  
413 payments).... The source of repayment or security for this  
414 proposal is the ...(insert the local government name)...  
415 existing ...(insert fund).... Authorizing this debt or  
416 obligation will result in \$...(insert the annual amount)... of  
417 ...(insert local government name)... ...(insert fund)... moneys  
418 not being available to finance the other services of the  
419 ...(insert local government name)... each year for ...(insert  
420 the length of the debt or obligation)....”

421 4. A description of the debt affordability ratios  
422 calculated pursuant to s. 218.84 in substantially the following  
423 form:

424 “The following ratios measure the affordability of  
425 outstanding and proposed new long-term, tax-supported debt  
426 issued by...(insert local government name).... The ratios show  
427 debt service as a percentage of the revenues available to  
428 support the debt, including the new debt being proposed  
429 ...(insert 5-year history and 2-year projection of debt  
430 affordability ratio)....”

431 (4) The notice provided by a local government announcing a  
432 public hearing to take public input as provided in subsection  
433 (2) or the public meeting to take a final vote as provided in  
434 subsection (3) must meet the following requirements:

435 (a) The local government must advertise notice in a

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436 newspaper of general circulation in the county or counties in  
437 which the local government exists. A local government may  
438 advertise in a geographically limited insert of a newspaper of  
439 general circulation if the region encompassed by the insert  
440 contains the jurisdictional boundaries of the local government.  
441 The newspaper must be of general interest to readership in the  
442 community and not one of limited subject matter pursuant to  
443 chapter 50. The notice:

444 1. Must be at least one-quarter page in size in a newspaper  
445 of standard size or one-half page in size in a newspaper of  
446 tabloid size and the headline of the notice must be in at least  
447 18-point type.

448 2. May not be placed in that portion of the newspaper in  
449 which legal notices and classified advertisements appear.

450 3. Must appear in a newspaper that is published at least 5  
451 days a week unless the only newspaper in the county is published  
452 fewer than 5 days a week. If the notice appears in a  
453 geographically limited insert of a newspaper of general  
454 circulation, the insert must be one that is published at least  
455 twice a week throughout the local government's jurisdiction.

456  
457 In lieu of publishing the notice, the local government may mail  
458 a copy of the notice to each elector residing within the  
459 jurisdiction of the local government.

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

463 (5) This section does not apply to the refinancing or  
464 refunding of debt that does not extend the term or increase the



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465 outstanding principal amount of the original debt.

466 218.84 Local government debt fiscal responsibility.-

467 (1) It is the public policy of this state to encourage  
468 local governments to exercise prudence in authorizing and  
469 issuing debt. Before a local government authorizes debt, it must  
470 consider its ability to meet its total debt service obligations  
471 in light of other demands on the local government's fiscal  
472 resources. Each local government shall perform a debt  
473 affordability analysis as set forth in subsection (2), and the  
474 governing board shall consider the analysis before approving the  
475 issuance of new tax-supported debt.

476 (2) The debt affordability analysis shall, at a minimum,  
477 consist of the calculation of the local government's actual debt  
478 affordability ratio for the 5 fiscal years before the year the  
479 debt is expected to be issued and a projection of the ratio for  
480 at least the first 2 fiscal years in which the debt is expected  
481 to be issued. The analysis must include a comparison of the debt  
482 affordability ratio with and without the new debt issuance.

483 (3) The debt affordability ratio for a given fiscal year  
484 shall be a ratio:

485 (a) The numerator of which is the total annual debt service  
486 for outstanding tax-supported debt of the local government.

487 (b) The denominator of which is the total annual revenues  
488 available to pay debt service on outstanding tax-supported debt  
489 of the local government.

490 218.88 Audits.-Audits of financial statements of local  
491 governments which are performed by a certified public accountant  
492 pursuant to s. 218.39 and submitted to the Auditor General must  
493 be accompanied by an affidavit executed by the chair of the

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494 governing board of the local government, as a separate document,  
495 stating that the local government has complied with this part  
496 and must be filed with the Auditor General or, if the local  
497 government has not complied with this part, the affidavit must  
498 include a description of the noncompliance and corrective action  
499 taken by the local government to correct the noncompliance and  
500 to prevent such noncompliance in the future.

501 218.89 Local government websites.—If a local government is  
502 required under this part to post information on its website but  
503 does not operate an official website, the local government must  
504 provide the county or counties in which the local government is  
505 located the information required to be posted, and each such  
506 county shall post the required information on its website.

507 Section 7. Paragraph (a) of subsection (2) of section  
508 215.97, Florida Statutes, is amended to read:

509 215.97 Florida Single Audit Act.—

510 (2) As used in this section, the term:

511 (a) "Audit threshold" means the threshold amount used to  
512 determine when a state single audit or project-specific audit of  
513 a nonstate entity shall be conducted in accordance with this  
514 section. Each nonstate entity that expends a total amount of  
515 state financial assistance equal to or in excess of \$750,000 in  
516 any fiscal year of such nonstate entity shall be required to  
517 have a state single audit or a project-specific audit for such  
518 fiscal year in accordance with the requirements of this section.  
519 After consulting with the Executive Office of the Governor, the  
520 Department of Financial Services, and all state awarding  
521 agencies, the Auditor General shall periodically review the  
522 threshold amount for requiring audits under this section and may

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523 recommend any appropriate statutory change to revise the  
524 threshold amount in the annual report submitted to the  
525 Legislature pursuant to s. 11.45(7)(i) ~~s. 11.45(7)(h)~~.

526 Section 8. Paragraph (e) of subsection (1) of section  
527 218.32, Florida Statutes, is amended to read:

528 218.32 Annual financial reports; local governmental  
529 entities.—

530 (1)

531 (e) Each local governmental entity that is not required to  
532 provide for an audit under s. 218.39 must submit the annual  
533 financial report to the department no later than 9 months after  
534 the end of the fiscal year. The department shall consult with  
535 the Auditor General in the development of the format of annual  
536 financial reports submitted pursuant to this paragraph. The  
537 format must include balance sheet information used by the  
538 Auditor General pursuant to s. 11.45(7)(g) ~~s. 11.45(7)(f)~~. The  
539 department must forward the financial information contained  
540 within the annual financial reports to the Auditor General in  
541 electronic form. This paragraph does not apply to housing  
542 authorities created under chapter 421.

543 Section 9. The Legislature finds that this act fulfills an  
544 important state interest.

545 Section 10. This act shall take effect July 1, 2021.