

1 A bill to be entitled
2 An act relating to local government capital recovery;
3 creating ss. 125.575 and 166.30, F.S.; providing
4 definitions; requiring counties and municipalities
5 that meet certain thresholds for specified delinquent
6 revenues to issue a procurement request to collect
7 such revenues; requiring procurement requests to be
8 sent to consumer collection agencies; providing
9 requirements for the content of the procurement
10 requests; providing that counties and municipalities
11 issuing procurement requests are not required to enter
12 into a contract; allowing a county executive, Clerk of
13 Courts, or mayor to accept a bid under certain
14 circumstances; providing that delinquent revenues are
15 excluded from the threshold calculations under certain
16 circumstances; requiring that copies of all bids
17 received be filed with the Department of Financial
18 Services; amending s. 218.39, F.S.; requiring that a
19 discussion of capital recovery efforts be included in
20 the management letter accompanying a county's or
21 municipality's annual financial audit report;
22 providing an effective date.

23
24 Be It Enacted by the Legislature of the State of Florida:

25
26 Section 1. Section 125.575, Florida Statutes, is created

27 | to read:

28 | 125.575 County capital recovery.--

29 | (1) As used in this section, the term:

30 | (a) "Abatement fine" means an amount billed to an owner of
31 | real property by a county after the county brings such real
32 | property or a portion thereof into compliance with a county
33 | ordinance or code by removing, repairing, rehabilitating,
34 | demolishing, improving, remediating, storing, transporting, or
35 | disposing of any portion of the real property or any tangible
36 | personal property located thereon, regardless of whether a lien
37 | was attached to the property related to such fine.

38 | (b) "Administrative fine" means an amount billed to an
39 | individual for a violation of a county ordinance or code
40 | unrelated to real property.

41 | (c) "Delinquent" means unpaid after the due date listed on
42 | the original billing of an abatement fine, administrative fine,
43 | property fine, or utility charge, regardless of whether the
44 | county has contracted with a collection agency pursuant to s.
45 | 938.35 for the collection of the unpaid fines or charges.

46 | (d) "Designated revenues" means abatement fines,
47 | administrative fines, property fines, and utility charges.

48 | (e) "Procurement request" means an invitation to bid, an
49 | invitation to negotiate, or a request for proposals issued by a
50 | county pursuant to its procurement policies.

51 | (f) "Property fine" means an amount other than an
52 | abatement fine billed to a property owner due to the property's

53 being out of compliance with a county ordinance or code,
54 regardless of whether a lien was attached to the property
55 related to such fine.

56 (g) "Utility charge" means an amount billed to a customer,
57 other than a government entity as defined in s. 768.295, by a
58 county-owned utility for providing utility service.

59 (2) Beginning October 1, 2016, a county shall issue a
60 procurement request meeting the requirements of subsection (4)
61 if the county has designated revenues totaling at least:

62 (a) Ten million dollars which are more than 90 days
63 delinquent;

64 (b) Five million dollars which are more than 180 days
65 delinquent; or

66 (c) One million dollars which are more than 270 days
67 delinquent.

68 (3) A county that meets at least one of the criteria in
69 paragraphs (2) (a)-(c) one year after issuing a procurement
70 request pursuant to this section must issue one additional
71 procurement request meeting the requirements of subsection (4).

72 (4) A procurement request issued pursuant to this section
73 must be issued no later than 30 days after the criteria of
74 subsection (2) or subsection (3) are met and must seek bids from
75 consumer collection agencies registered pursuant to s. 559.553.
76 The procurement request shall require an up-front cash payment
77 and may allow a portion of the bid to be based on contingency
78 fees in exchange for the right of the consumer collection agency

79 to collect the county's delinquent designated revenues that were
80 delinquent on the date that the county issued the procurement
81 request. The procurement request must state that bids based
82 solely on contingency fees with no up-front cash payment will
83 not be accepted.

84 (5) Subsections (2) and (3) do not apply to a county whose
85 delinquent designated revenues are less than 20 percent of the
86 total designated revenues billed by the county in the previous
87 12 months.

88 (6) A county is not required to enter into a contract for
89 services with any consumer collection agency that responds to
90 the procurement request. However, if the governing body of the
91 county has not begun negotiations to enter into a contract for
92 services with a consumer collection agency that responded to the
93 procurement request within 60 days of the receipt of all bids
94 submitted pursuant to the procurement request, negotiations and
95 a contract may be entered into by the county executive in a
96 county operating under a county charter or the Clerk of Courts
97 in a county which is not operating under a county charter.

98 (7) Any delinquent designated revenues that a consumer
99 collection agency has contracted to collect in response to a
100 procurement request issued pursuant to this section shall be
101 excluded from the calculation made by the county when
102 determining whether any of the criteria in paragraphs (2) (a)-(c)
103 are met.

104 (8) The county shall forward a copy of all bids that it

105 has received in response to any procurement request to the
 106 Department of Financial Services. The Department of Financial
 107 Services shall keep all of the bids on file for at least 5 years

108 Section 2. Section 166.30, Florida Statutes, is created to
 109 read:

110 166.30 Municipal capital recovery.-

111 (1) As used in this section, the term:

112 (a) "Abatement fine" means an amount billed to an owner of
 113 real property by a municipality after the municipality brings
 114 such real property or a portion thereof into compliance with a
 115 municipal ordinance or code by removing, repairing,
 116 rehabilitating, demolishing, improving, remediating, storing,
 117 transporting, or disposing of any portion of the real property
 118 or any tangible personal property located thereon, regardless of
 119 whether a lien was attached to the property related to such
 120 fine.

121 (b) "Administrative fine" means an amount billed to an
 122 individual for a violation of a municipal ordinance or code
 123 unrelated to real property.

124 (c) "Delinquent" means unpaid after the due date listed on
 125 the original billing of an abatement fine, administrative fine,
 126 property fine, or utility charge, regardless of whether the
 127 municipality has contracted with a collection agency pursuant to
 128 s. 938.35 for the collection of the unpaid fines or charges.

129 (d) "Designated revenues" means abatement fines,
 130 administrative fines, property fines, and utility charges.

131 (e) "Procurement request" means an invitation to bid, an
132 invitation to negotiate, or a request for proposals issued by a
133 municipality pursuant to its procurement policies.

134 (f) "Property fine" means an amount other than an
135 abatement fine billed to a property owner due to the property's
136 being out of compliance with a municipal ordinance or code,
137 regardless of whether a lien was attached to the property
138 related to such fine.

139 (g) "Utility charge" means an amount billed to a customer,
140 other than a government entity as defined in s. 768.295, by a
141 municipally-owned utility for providing utility service.

142 (2) Beginning October 1, 2016, a municipality shall issue
143 a procurement request meeting the requirements of subsection (4)
144 if the municipality has designated revenues totaling at least:

145 (a) Ten million dollars which are more than 90 days
146 delinquent;

147 (b) Five million dollars which are more than 180 days
148 delinquent; or

149 (c) One million dollars which are more than 270 days
150 delinquent.

151 (3) A municipality that meets at least one of the criteria
152 in paragraphs (2) (a)-(c) one year after issuing a procurement
153 request pursuant to this section must issue one additional
154 procurement request meeting the requirements of subsection (4).

155 (4) A procurement request issued pursuant to this section
156 must be issued no later than 30 days after the criteria of

157 subsection (2) or subsection (3) are met and must seek bids from
158 consumer collection agencies registered pursuant to s. 559.553.
159 The procurement request shall require an up-front cash payment
160 and may allow a portion of the bid to be based on contingency
161 fees in exchange for the right of the consumer collection agency
162 to collect the municipality's delinquent designated revenues
163 that were delinquent on the date that the municipality issued
164 the procurement request. The procurement request must state that
165 bids based solely on contingency fees with no up-front cash
166 payment will not be accepted.

167 (5) Subsections (2) and (3) do not apply to a municipality
168 whose delinquent designated revenues are less than 20 percent of
169 the total designated revenues billed by the municipality in the
170 previous 12 months.

171 (6) A municipality is not required to enter into a
172 contract for services with any consumer collection agency that
173 responds to the procurement request. However, if the governing
174 body of the municipality has not begun negotiations to enter
175 into a contract for services with a consumer collection agency
176 that responded to the procurement request within 60 days of the
177 receipt of all bids submitted pursuant to the procurement
178 request, negotiations and a contract may be entered into by the
179 mayor of the municipality.

180 (7) Any delinquent designated revenues that a consumer
181 collection agency has contracted to collect in response to a
182 procurement request issued pursuant to this section shall be

PCB FTC 16-02

2016

183 excluded from the calculation made by the municipality when
184 determining whether any of the criteria in paragraphs (2) (a)-(c)
185 are met.

186 (8) The municipality shall forward a copy of all bids that
187 it has received in response to any procurement request to the
188 Department of Financial Services. The Department of Financial
189 Services shall keep all of the bids on file for at least 5
190 years.

191 Section 3. Subsection (4) of section 218.39, Florida
192 Statutes, is amended to read:

193 218.39 Annual financial audit reports.—

194 (4) A management letter shall be prepared and included as
195 a part of each financial audit report. For county and municipal
196 financial audit reports, the letter must include a discussion of
197 the current balance of the county's or municipality's delinquent
198 designated revenues as defined in s. 166.30 and the efforts that
199 the county or municipality has undertaken to collect such
200 revenues.

201 Section 4. This act shall take effect July 1, 2016.