



Local Administration, Federal Affairs & Special Districts Subcommittee

**December 13, 2023
8:00 AM – 10:00 PM
Morris Hall (17 HOB)**

Meeting Packet

Committee Meeting Notice

HOUSE OF REPRESENTATIVES

Local Administration, Federal Affairs & Special Districts Subcommittee

Start Date and Time: Wednesday, December 13, 2023 08:00 am

End Date and Time: Wednesday, December 13, 2023 10:00 am

Location: Morris Hall (17 HOB)

Duration: 2.00 hrs

Consideration of the following bill(s):

HB 191 Town of Orchid, Indian River County by Brackett

Consideration of the following proposed committee bill(s):

PCB LFS 24-01 -- Inactive Special Districts

PCB LFS 24-02 -- Special Districts

To submit an electronic appearance form, and for information about attending or testifying at a committee meeting, please see the "Visiting the House" tab at www.myfloridahouse.gov.

NOTICE FINALIZED on 12/06/2023 4:14PM by Lacher.Tamara

HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

BILL #: HB 191 Town of Orchid, Indian River County
SPONSOR(S): Brackett
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Local Administration, Federal Affairs & Special Districts Subcommittee		Burgess	Darden
2) Ethics, Elections & Open Government Subcommittee			
3) State Affairs Committee			

SUMMARY ANALYSIS

A local government must hold its public meetings within its jurisdictional boundaries, unless specifically authorized to hold such meetings elsewhere. Municipalities with a population of 500 or fewer residents may hold public meetings outside of their boundary at a time and place prescribed by ordinance or resolution. Public meetings under this provision must be held within five miles of the exterior boundary of the municipality. As of April 1, 2023, there were 45 municipalities with estimated populations of under 500.

The Town of Orchid (Town) in Indian River County was incorporated in 1965. The Town does not own any meeting facilities within its jurisdictional limits and currently conducts public meetings in a room at a golf club within its municipal boundaries. As of April 1, 2023, Orchid had an estimated population of 531 people.

The bill creates an exception to general law allowing Town the to hold public meetings within 5 miles of its exterior jurisdictional boundary as long as its population does not exceed 1,250 people.

According to the economic impact statement, the bill will increase Town expenditures by \$1,500 in Fiscal Year 2024-25, as the Town will need to purchase seating and other furnishings for conducting meetings.

According to House Rule 5.5(b), a local bill providing an exemption from general law may not be placed on the Special Order Calendar for expedited consideration. The provisions of House Rule 5.5(b) appears to apply to this bill.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Public Meetings

Article I, s. 24(b) of the Florida Constitution sets forth the state's public policy regarding access to government meetings. The section requires all meetings of any collegial public body of the executive branch of state government or of any collegial public body of a county, municipality, school district, or special district, at which official acts are to be taken or at which public business of such body is to be transacted or discussed, be open and noticed to the public.

Public policy regarding access to government meetings also is addressed in the Florida Statutes. Section 286.011, F.S., known as the "Government in the Sunshine Law" or "Sunshine Law," further requires all meetings of any board or commission of any state agency or authority or of any agency or authority of any county, municipal corporation, or political subdivision, at which official acts are to be taken be open to the public at all times.¹ The board or commission must provide reasonable notice of all public meetings.² Public meetings may not be held at any location that discriminates on the basis of sex, age, race, creed, color, origin, or economic status or that operates in a manner that unreasonably restricts the public's access to the facility.³ Minutes of a public meeting must be promptly recorded and open to public inspection.⁴

Extra-Territorial Public Meetings of Small Municipalities

In 2008, the Legislature authorized the City of Belleair Beach governing board to hold its meetings outside the municipality's boundaries at such time and place as prescribed by ordinance, resolution, or interlocal agreement.⁵ The city council was encouraged to hold its meetings in close proximity to the people it serves.⁶ Due to the number of situations in which small municipalities did not have the proper facilities available to hold public meetings, municipalities with populations under 500 people were authorized to hold public meetings within five miles of their exterior jurisdictional boundaries.⁷ Prior to the passage of this statute, several Attorney General Opinions indicated that municipalities lacked statutory authorization to hold public meetings outside of their jurisdiction and, without statutory authorization, acts and proceedings at meetings held outside the municipal jurisdiction were void.⁸

As of April 1, 2023, there were 45 municipalities with estimated populations of under 500.⁹

¹ S. 286.011(1), F.S.

² *Id.*

³ S. 286.011(6), F.S.

⁴ S. 286.011(2), F.S.

⁵ Ch. 2008-286, Laws of Fla.

⁶ *Id.*

⁷ Ch. 2011-147, Laws of Fla., codified as s. 166.0213, F.S.

⁸ 08-01 Op. Att'y Gen. Fla. 1 (2008). *Also see* 03-03 Op. Att'y Gen. 1 (2003); 75-139 Op. Att'y Gen. 1 (1975).

⁹ Bureau of Economic and Business Research, *Florida Estimates of Populations 2023*, <http://www.bebr.ufl.edu/population> (last visited Dec, 4, 2023).

Town of Orchid

The Town of Orchid (Town) in Indian River County was incorporated in 1965.¹⁰ As of April 1, 2023, Orchid had an estimated population of 531 residents.¹¹ In 1985, the Deerfield Groves Partnership purchased a significant portion of the land within the municipal boundaries to expand its grapefruit operations.¹² This was followed by a sale to Orchid Island Association Ltd. in 1987 for the purpose of establishing a luxury gated community centered around a golf course. The Town adopted a revised charter in 1988.¹³

The original plan of development for the Town included a town hall, but today the Town is mostly built out with few remaining parcels.¹⁴

The Town does not own any meeting facilities within its jurisdictional limits that can accommodate larger meetings, such as the Town Council meetings. The Town currently holds its public meetings in the Sandpiper Room at the Orchid Island Golf & Beach Club within the municipal boundaries.¹⁵ According to a statement by the mayor, the club currently offers the Town space to hold public meetings free of charge, but may not do so in the future.¹⁶ Additionally, the popularity of venue results in difficulty scheduling public meetings.

Effect of Proposed Changes

The bill provides findings that the Town currently owns no public meeting facilities within its boundaries and has no reasonable prospect of doing so in the future. The bill provides an exception to general law authorizing the Town to hold public meetings within 5 miles of its exterior jurisdictional boundary as long as its population does not exceed 1,250 people.

B. SECTION DIRECTORY:

Section 1: Provides legislative intent and exception to general law for the Town of Orchid to hold public meetings outside of its jurisdictional boundary subject to certain conditions.

Section 2: Provides an effective date of upon becoming a law.

II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? August 18, 2023

WHERE? The *Indian River Press Journal*, a daily newspaper of general circulation published in Indian River County, Florida.

¹¹ Bureau of Economic and Business Research, *Florida Estimates of Populations 2023*, <http://www.bebr.ufl.edu/population> (last visited Dec. 4, 2023).

¹² Town of Orchid. *Development of the Town*, <https://www.townoforchid.com/community/page/development-town> (last visited Dec. 4, 2023).

¹³ City of Orchid Ordinance No. 88-01 (Sept. 20, 1988).

¹⁴ See Town of Orchid. *Development of the Town*, <https://www.townoforchid.com/community/page/development-town> (last visited Dec. 4, 2023) and Town of Orchid. *Recent History*, <https://www.townoforchid.com/community/page/recent-history> (last visited Dec. 4, 2023).

¹⁵ Samantha Baita, *Site of Orchid's new Town Hall on island seen ideal fit*, Vero News (October 5, 2023), <https://veronews.com/2023/10/05/site-of-orchids-new-town-hall-on-island-seen-ideal-fit/> (last visited Dec. 4, 2023).

¹⁶ Economic Impact Statement for HB 191 (2024).

B. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes No

D. ECONOMIC IMPACT STATEMENT FILED? Yes No

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

The bill neither requires nor provides authority for agency rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

According to House Rule 5.5(b), a local bill providing an exemption from general law may not be placed on the Special Order Calendar for expedited consideration. The provisions of House Rule 5.5(b) appears to apply to this bill.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

Not applicable.

1 A bill to be entitled
 2 An act relating to the Town of Orchid, Indian River
 3 County; providing legislative intent; providing an
 4 exception to general law; authorizing the Town of
 5 Orchid in Indian River County to hold public meetings
 6 within specified mileage of its jurisdictional
 7 boundary under certain circumstances; providing an
 8 effective date.

9
 10 Be It Enacted by the Legislature of the State of Florida:

11
 12 Section 1. (1) The Legislature finds that the Town of
 13 Orchid in Indian River County currently owns no public meeting
 14 facilities within its jurisdiction and has no reasonable
 15 prospects for doing so in the future.

16 (2) Notwithstanding s. 166.0213(1), Florida Statutes, the
 17 Town of Orchid in Indian River County may hold public meetings
 18 within 5 miles of its exterior jurisdictional boundary as long
 19 as its resident population does not exceed 1,250 persons.

20 Section 2. This act shall take effect upon becoming a law.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCB LFS 24-01 Inactive Special Districts
SPONSOR(S): Local Administration, Federal Affairs & Special Districts Subcommittee
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Local Administration, Federal Affairs & Special Districts Subcommittee		Mwakyanjala	Darden

SUMMARY ANALYSIS

Special districts are units of local government created for a particular purpose, with jurisdiction to operate within a limited geographic boundary. Special districts are created by general law, special act, local ordinance, or rule of the Governor and Cabinet. A special district has only those powers expressly provided by, or reasonably implied from, the authority provided in the district's charter. Special districts provide specific municipal services in addition to, or in place of, those provided by a municipality or county.

The Department of Commerce (department) must declare a special district inactive if it meets certain criteria. Declaring a special district inactive does not dissolve the district or otherwise cease its legal existence. Subsequent action is required to repeal the legal authority creating the district, whether by the Legislature or the county or municipality that created the district.

The bill dissolves the following special districts created by special act, which have been declared inactive by the department, and repeals their enabling laws:

- Calhoun County Transportation Authority.
- Dead Lakes Water Management District.
- Emerald Coast Bridge Authority.
- Highland View Water and Sewer District.
- West Orange Airport Authority.

The bill also dissolves the Sunny Isles Reclamation and Water Control Board and repeals the judicial order establishing the district.

The bill does not appear to have a fiscal impact on state or local governments.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Special Districts

A “special district” is a unit of local government created for a particular purpose, with jurisdiction to operate within a limited geographic boundary.¹ Special districts are created by general law, special act, local ordinance, or rule of the Governor and Cabinet.² A special district has only those powers expressly provided by, or reasonably implied from, the authority provided in the district’s charter. Special districts provide specific municipal services in addition to, or in place of, those provided by a municipality or county.³

Special districts may be classified as dependent or independent based on their relationship with local general-purpose governments. A special district is classified as “dependent” if the governing body of a single county or municipality:

- Serves as the governing body of the district;
- Appoints the governing body of the district;
- May remove members of the district’s governing body at-will during their unexpired terms; or
- Approves or can veto the budget of the district.⁴

A district is classified as “independent” if it does not meet one of the above criteria or is located in more than one county, unless the district lies entirely within the boundaries of a single municipality.⁵

Special districts do not possess “home rule” powers and may impose only those taxes, assessments, or fees authorized by special or general law. The special act creating a special district may provide for funding from a variety of sources while prohibiting others. For example, ad valorem tax authority is not mandatory for a special district.⁶

The Special District Accountability Program within the Department of Commerce (department) is responsible for maintaining and electronically publishing the official list of all special districts.⁷ This list includes all active special districts, as well as a separate list of those districts declared inactive.⁸

¹ See *Halifax Hospital Medical Center v. State of Fla., et al.*, 278 So. 3d 545, 547 (Fla. 2019).

² See ss. 189.02(1), 189.031(3), and 190.005(1), F.S. See generally s. 189.012(6), F.S.

³ Local Administration, Federal Affairs & Special Districts Subcommittee, *The Local Government Formation Manual*, 62, available at <https://myfloridahouse.gov/Sections/Committees/committeesdetail.aspx?CommitteeId=3227> (last visited Nov. 28, 2023).

⁴ S. 189.012(2), F.S.

⁵ S. 189.012(3), F.S.

⁶ Art. VII, s. 9(a), Fla. Const.

⁷ S. 189.061, F.S.

⁸ Ss. 189.061 and 189.062(6), F.S.

Inactive Special Districts

Whether dependent or independent, the department must declare a special district inactive if it meets one of the following criteria:

- The registered agent of the district, the chair of the district's governing body, or the governing body of the appropriate county or municipality:
 - Provides written notice to the department that the district has taken no action for two or more years;
 - Provides written notice to the department that the district has not had a governing body or a sufficient number of governing body members to constitute a quorum for two or more years; or
 - Fails to respond to an inquiry by the department within 21 days.⁹
- The department determines the district failed to file certain specified reports,¹⁰ including required financial reports.¹¹
- The district has not had a registered office or agent on file with the department for one or more years.¹²
- The governing body of the district provides documentation to the department that it has unanimously adopted a resolution declaring the district inactive.¹³

After the department determines at least one of these criteria applies to the special district, a notice of the proposed declaration of inactive status may be published by the department, the county or municipality for the area where the district is located, or the district itself. The notice must be published in a newspaper of general circulation in the county or municipality where the special district is located, and a copy of the notice must be sent by certified mail to the registered agent or chair of the district's board.¹⁴ The notice must include the name of the district, the law under which the district was organized and operating, a general description of the territory of the district, and a statement that any objections to the declaration must be filed pursuant to chapter 120, F.S.,¹⁵ within 21 days after the publication date. If no objection is filed within the 21-day period, the department declares the district inactive.¹⁶

After declaring a special district inactive, the department must send written notice of the declaration to the authorities that created the district.¹⁷ This notification is intended to facilitate the process of dissolving districts that have been declared inactive.¹⁸ For districts created by special act, the declaration of inactive status fulfills the constitutional notice requirement for the repeal of those special acts.¹⁹ Current law also provides that the special acts creating or amending the charter of an inactive special district may be repealed by general law.²⁰

A district declared inactive may not collect taxes, fees, or assessments until the declaration of invalid status is withdrawn, revoked by the department, or invalidated in an administrative proceeding or civil action.²¹ Any property and assets of a special district declared inactive must first be used to pay any debts of the district,²² and any remaining property or assets then escheat to the county or municipality in which the district is located. If the district's property or assets are insufficient to pay its outstanding

⁹ S. 189.062(1)(a)1.-3., F.S.

¹⁰ S. 189.066, F.S.

¹¹ S. 189.062(1)(a)4., F.S. See ss. 189.016(9), 218.32, and 218.39, F.S.

¹² S. 189.062(1)(a)5., F.S.

¹³ S. 189.062(1)(a)6., F.S.

¹⁴ S. 189.062(1)(b), F.S.

¹⁵ Chapter 120, F.S., is the Administrative Procedure Act.

¹⁶ S. 189.062(1)(c), F.S.

¹⁷ S. 189.062(3), F.S.

¹⁸ See ss. 189.071(3) and 189.072(3), F.S.

¹⁹ S. 189.062(3)(a), F.S.

²⁰ *Id.*

²¹ S. 189.062(5), F.S.

²² S. 189.062(2), F.S.

debts, the county or municipality in which the district was located may assess and levy taxes within the territory of the inactive district as necessary to pay the remaining debt.

Declaring a special district inactive does not dissolve the district or otherwise cease its legal existence. Subsequent action is required to repeal the legal authority creating the district, whether by the Legislature or the county or municipality that created the district.²³

Water Control Districts

Chapter 298, F.S., governs the creation and operation of water control districts (WCD). A WCD has authority and responsibility to construct, complete, operate, maintain, repair, and replace any and all works and improvements necessary to execute the water control plan adopted by that district.²⁴ Prior to July 1, 1980, the authority to create a WCD was delegated to circuit courts by statute, with WCDs created by the submission of a petition signed by a majority of the landowners in the area of the proposed district to the circuit court that had jurisdiction over the area.²⁵ Today, WCDs may be created only by special act or county ordinance.²⁶ The charter of a district that predates July 1, 1980, may only be modified by special act.²⁷

Effect of Proposed Changes

The bill dissolves the following special districts created by special act, which have been declared inactive by the department, and repeals their enabling laws:

- Calhoun County Transportation Authority.²⁸
- Dead Lakes Water Management District.²⁹
- Emerald Coast Bridge Authority.³⁰
- Highland View Water and Sewer District.³¹
- West Orange Airport Authority.³²

Notwithstanding s. 189.072(3), F.S., the bill dissolves the Sunny Isles Reclamation and Water Control Board and repeals the judicial order establishing the district.³³ This district was initially created pursuant to authority delegated to circuit courts to create WCDs. As a district created by the petition process repealed in 1980, the charter of the district would otherwise only be subject to revision by special act.

B. SECTION DIRECTORY:

Section 1: Dissolves special districts created by special act that have been declared inactive by the department and repeals their enabling laws.

Section 2: Dissolves the Sunny Isles Reclamation and Water Control Board and repeals the judicial order establishing the district.

Section 3: Provides an effective date of July 1, 2024.

²³ S. 189.062(4), F.S.

²⁴ S. 298.22, F.S.

²⁵ See s. 298.01, F.S. (authorizing "water control districts established prior to July 1, 1980, pursuant to the process formerly contained in this section and former ss. 298.02 and 298.03, may continue to operate as outlined in this chapter.") See *also* s. 298.01, F.S. (1980) and ch. 79-5, ss. 1-3, Laws of Fla. Originally, the Board of Drainage Commissioners for the State also had authority to prepare and file a petition to form a drainage district. See ch. 6458, s. 1, Laws of Fla. (1913).

²⁶ S. 298.01, F.S.

²⁷ See s. 298.76(5), F.S.

²⁸ Ch. 76-341, Laws of Fla.

²⁹ Ch. 57-1115, Laws of Fla.

³⁰ Chs. 90-412 and 2001-346, Laws of Fla.

³¹ Chs. 61-2212 and 85-417, Laws of Fla.

³² Chs. 99-482 and 2007-305, Laws of Fla.

³³ Decree 66C-7402, entered by the circuit court in and for the Eleventh Circuit Court.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not Applicable. This bill does not appear to affect county or municipal governments.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

This bill neither provides authority for nor requires rulemaking by executive branch agencies.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

Not applicable.

1 A bill to be entitled
 2 An act relating to inactive special districts;
 3 dissolving special districts that have been declared
 4 inactive and repealing their enabling laws; providing
 5 an exception to general law; dissolving the Sunny
 6 Isles Reclamation and Water Control Board and
 7 repealing the judicial order establishing the
 8 district; providing an effective date.

9
 10 Be It Enacted by the Legislature of the State of Florida:

11
 12 Section 1. The following special districts, which are no
 13 longer operating and have been declared inactive by the
 14 Department of Commerce pursuant to section 189.062, Florida
 15 Statutes, are hereby dissolved and their enabling laws are
 16 repealed:

17 (1) Chapter 76-341, Laws of Florida, is repealed and the
 18 Calhoun County Transportation Authority is dissolved.

19 (2) Chapter 57-1115, Laws of Florida, is repealed and the
 20 Dead Lakes Water Management District is dissolved.

21 (3) Chapters 90-412 and 2001-346, Laws of Florida, are
 22 repealed and the Emerald Coast Bridge Authority is dissolved.

23 (4) Chapters 61-2212 and 85-417, Laws of Florida, are
 24 repealed and the Highland View Water and Sewer District is
 25 dissolved.

26 (5) Chapters 99-482 and 2007-305, Laws of Florida, are
27 repealed and the West Orange Airport Authority is dissolved.

28 Section 2. Notwithstanding section 189.072(3), Florida
29 Statutes, Decree 66C-7402 entered by the circuit court in and
30 for the Eleventh Circuit Court pursuant to chapter 298, Florida
31 Statutes (1966), is repealed and the Sunny Isles Reclamation and
32 Water Control Board is dissolved.

33 Section 3. This act shall take effect July 1, 2024.

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCB LFS 24-02 Special Districts
SPONSOR(S): Local Administration, Federal Affairs & Special Districts Subcommittee
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Local Administration, Federal Affairs & Special Districts Subcommittee		Mwakyanjala	Darden

SUMMARY ANALYSIS

Special districts are units of local government created for a particular purpose, with jurisdiction to operate within a limited geographic boundary. Special districts are created by general law, special act, local ordinance, or rule of the Governor and Cabinet. A special district has only those powers expressly provided by, or reasonably implied from, the authority provided in the district's charter. Special districts provide specific municipal services in addition to, or in place of, those provided by a municipality or county.

The Department of Commerce must declare a special district inactive if it meets certain criteria. Declaring a special district inactive does not dissolve the district or otherwise cease its legal existence. Subsequent action is required to repeal the legal authority creating the district, whether by the Legislature or the county or municipality that created the district.

The bill revises provisions relating to special districts by:

- Creating a 12-year term limit for elected members of governing bodies of most types of independent special districts;
- Requiring a continuation referendum for most independent special districts exercising ad valorem tax authority on a date certain and every 10 years thereafter;
- Providing dissolution process for special districts that voters elect to not continue;
- Adding additional criteria for declaring a special district inactive;
- Revising notice and procedures for proposed declaration of inactive status;
- Authorizing districts that have been declared inactive to expend funds as necessary to service outstanding debt;
- Requiring all special districts to adopt goals and objectives, as well as performance measures and standards to determine if those goals and objectives are being achieved;
- Repealing a provision that allows a special district to convert itself into a municipality without legislative approval;
- Requiring each petition to create a community development district to contain a sworn affidavit concerning planned development;
- Requiring independent special fire control districts to report certain information to the Division of the State Fire Marshal;
- Requiring mosquito control districts to meet certain conditions required to participate in state programs; and
- Prohibiting the creation of new neighborhood improvement districts (NIDs) and requiring the Office of Program Policy Analysis and Government Accountability to conduct a performance review of existing NIDs.

The bill may have an insignificant fiscal impact on state government and an indeterminate fiscal impact on local governments.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Special Districts

A “special district” is a unit of local government created for a particular purpose, with jurisdiction to operate within a limited geographic boundary.¹ Special districts are created by general law, special act, local ordinance, or rule of the Governor and Cabinet.² A special district has only those powers expressly provided by, or reasonably implied from, the authority provided in the district’s charter. Special districts provide specific municipal services in addition to, or in place of, those provided by a municipality or county.³ Special districts are funded through the imposition of ad valorem taxes, fees, or charges on the users of those services as authorized by law.⁴

Special districts may be classified as dependent or independent based on their relationship with local general-purpose governments. A special district is classified as “dependent” if the governing body of a single county or municipality:

- Serves as governing body of the district;
- Appoints the governing body of the district;
- May remove members of the district’s governing body at-will during their unexpired terms; or
- Approves or can veto the budget of the district.⁵

A district is classified as “independent” if it does not meet any of the above criteria or is located in more than one county, unless the district lies entirely within the boundaries of single municipality.⁶

The Special District Accountability Program within the Department of Commerce (department) is responsible for maintaining and electronically publishing the official list of all special districts.⁷ This list includes all active special lists, as well as a separate list of those declared inactive.⁸ According to the official list, as of December 1, 2023, the state had 1,971 special districts, of which 1,358 are independent special districts and 613 dependent districts.⁹

Special districts are governed generally by the Uniform Special District Accountability Act (USDAA).¹⁰ The USDAA centralizes provisions governing special districts and applies to the formation,¹¹

¹ See *Halifax Hospital Medical Center v. State of Fla., et al.*, 278 So. 3d 545, 547 (Fla. 2019).

² See ss. 189.02(1), 189.031(3), and 190.005(1), F.S. See generally s. 189.012(6), F.S.

³ Local Administration, Federal Affairs & Special Districts Subcommittee, *The Local Government Formation Manual*, 62, available at <https://myfloridahouse.gov/Sections/Committees/committeesdetail.aspx?CommitteeId=3227> (last visited Dec. 5, 2023).

⁴ The method of financing a district must be stated in its charter. Ss. 189.02(4)(g), 189.031(3), F.S. Independent special districts may be authorized to impose ad valorem taxes as well as non-ad valorem special assessments in the special acts comprising their charters. See, e.g., ch. 2023-335, s. 6 of s. 1, Laws of Fla. (East River Ranch Stewardship District). See also, e.g., ss. 190.021 (community development districts), 191.009 (independent fire control districts), 197.3631 (non-ad valorem assessments), 298.305 (water control districts), 388.221 (mosquito control), ch. 2004-397, s. 27 of s. 3, Laws of Fla. (South Broward Hospital District).

⁵ S. 189.012(2), F.S.

⁶ S. 189.012(3), F.S.

⁷ S. 189.061, F.S.

⁸ Ss. 189.061, 189.062(6), F.S.

⁹ Dept. of Commerce, Special District Accountability Program, *Official List of Special Districts*, available at <https://specialdistrictreports.floridajobs.org/OfficialList/CustomList> (last visited Dec. 5, 2023).

¹⁰ S. 189.01, F.S., but see ch. 190, F.S. (community development districts), ch. 191, F.S. (independent special fire control districts), ch. 298, F.S. (water control districts), ch. 388, F.S. (mosquito control districts), and ch. 582, F.S. (soil and water conservation districts).

¹¹ See ss. 189.02 (creation of dependent special districts) and 189.031, F.S. (creation of independent special districts).

governance,¹² administration,¹³ supervision,¹⁴ merger,¹⁵ and dissolution¹⁶ of special districts, unless otherwise expressly provided in law.¹⁷ The USDAA requires notice and publication of tentative budgets and final budgets.¹⁸ Certain budget amendments are allowed up to 60 days following the end of the fiscal year.¹⁹

Special districts do not possess “home rule” powers and may impose only those taxes, assessments, or fees authorized by special or general law. The special act creating an independent special district may provide for funding from a variety of sources while prohibiting others. For example, ad valorem tax authority is not mandatory for a special district.²⁰

Community Development Districts

Community development districts (CDDs) are a type of independent special district intended to provide urban community services in a cost-effective manner by managing and financing the delivery of basic services and capital infrastructure to developing communities without overburdening other governments and their taxpayers.²¹ As of December 1, 2023, there are 952 active CDDs in Florida.²²

The method for establishing a CDD depends upon its size. CDDs of 2,500 acres or more, or located in multiple counties or municipalities, are established by petitioning the Florida Land and Water Adjudicatory Commission (FLWAC)²³ to adopt an administrative rule creating the district.²⁴ Each petition to establish a CDD must contain:

- A metes and bounds description of the boundaries of the district;
- Written consent to be included in the district from all landowners in the boundaries;
- A list of five persons who shall serve as the interim board of supervisors of the district until elections may be called;
- The name of the proposed district;
- A map of the district showing current major trunk water mains and sewer interceptors and outfalls, if any;
- The proposed timetable for construction of the district services and the estimated cost of constructing the proposed services;
- A designation of the future general distribution, location, and extent of public and private uses of land proposed for the area within the district by the future land use plan element of the effective local government comprehensive plan of which all mandatory elements have been adopted by the applicable general-purpose local government in compliance with the Community Planning Act; and
- A statement of estimated regulatory costs.²⁵

A copy of the petition must be filed with each county or municipality in which the proposed CDD will be located and also to each municipality contiguous with or containing a portion of the land proposed for inclusion in the district.²⁶ The counties or municipalities may conduct public hearings and express

¹² See s. 189.0311, F.S. (charter requirements for independent special districts).

¹³ See s. 189.019, F.S. (requiring codification of charters incorporating all special acts for the district).

¹⁴ See s. 189.0651, F.S. (oversight for special districts created by special act of the Legislature).

¹⁵ Ss. 189.071 and 189.074, F.S.

¹⁶ Ss. 189.071 and 189.072, F.S.

¹⁷ See, e.g., s. 190.004, F.S. (Ch. 190, F.S. as “sole authorization” for creation of community development districts).

¹⁸ S. 189.016(4), F.S.

¹⁹ S. 189.016(6), F.S.

²⁰ See, e.g., ch. 2006-354, Laws of Fla. (Argyle Fire District may impose special assessments, but has no ad valorem tax authority).

²¹ S. 190.002(1)(a), F.S.

²² Dept. of Commerce, *supra* note 9.

²³ Created by s. 380.07, F.S., the FLWAC is comprised of the Administration Commission, which in turn is created by s. 14.202, F.S., and is composed of the Governor and Cabinet.

²⁴ S. 190.005(1), F.S.

²⁵ S. 190.005(1)(a), F.S.

²⁶ S. 190.005(1)(b), F.S.

support or objection to the proposed district by resolution and by stating their position before the FLWAC.²⁷ Additionally, a public hearing on the petition before an administrative law judge must be held in the county where the CDD will be located.²⁸ Once the hearing process is complete, the entire record is submitted to the FLWAC, reviewed by staff, and placed on the FLWAC meeting agenda for final consideration with the petition.²⁹ If the petition is approved, the FLWAC initiates proceedings to adopt the rule creating the CDD.

The process for establishing a CDD of less than 2,500 acres follows the same procedural steps, but is approved by local ordinance as follows:

- All land is in unincorporated areas of the county, by county ordinance.
- Land includes unincorporated areas and portions of a municipality, by county ordinance subject to municipal approval.
- All land is in the single municipality, by municipal ordinance.³⁰

Each CDD is governed by a five-member board elected by the landowners of the district on a one-acre, one-vote basis.³¹ Board members serve four-year terms, except some initial board members serve a two-year term for the purpose of creating staggered terms.³² After the sixth year (for districts of up to 5,000 acres) or the tenth year (for districts exceeding 5,000 acres or for a compact, urban, mixed-use district) following the CDD's creation, each member of the board is subject to election by the electors of the district at the conclusion of their term.³³ However, this transition does not occur if the district has fewer than 250 (for districts of up to 5,000 acres) or 500 (for districts exceeding 5,000 acres or for a compact, urban, mixed-use district) qualified electors.

Community Redevelopment Agencies

The Community Redevelopment Act of 1969 authorizes a county or municipality to create a community redevelopment agency (CRA) as a means of redeveloping slums and blighted areas.³⁴ An area is defined as blighted if there are a substantial number of deteriorated structures causing economic distress or endangerment to life or property and two or more of the following factors are present:

- Predominance of defective or inadequate street layout, parking facilities, roadways, bridges, or public transportation facilities;
- Aggregate assessed values of real property in the area for ad valorem tax purposes have failed to show any appreciable increase over the five years prior to the finding of such conditions;
- Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- Unsanitary or unsafe conditions;
- Deterioration of site or other improvements;
- Inadequate and outdated building density patterns;
- Falling lease rates per square foot of office, commercial, or industrial space compared to the remainder of the county or municipality;
- Tax or special assessment delinquency exceeding the fair value of the land;
- Residential and commercial vacancy rates higher in the area than in the remainder of the county or municipality;
- Incidence of crime in the area higher than in the remainder of the county or municipality;

²⁷ S. 190.005(1)(c), F.S.

²⁸ S. 190.005(1)(d), F.S.

²⁹ S. 190.005(1)(e), F.S.

³⁰ S. 190.005(2), F.S. The county approval process may be used for proposed CDDs of up to 7,000 acres if the CDD is located in a connected-city corridor established pursuant to s. 163.3246, F.S.

³¹ S. 190.006(2), F.S.

³² S. 190.006(1), F.S.

³³ S. 190.006(3)(a)2.a., F.S. A "compact, urban, mixed-use district" is a district located within a municipality and within a CRA, that consists of a maximum of 75 acres, and has development entitlements of at least 400,000 square feet of retail development and 500 residential units. S, 190.003(7), F.S.

³⁴ Ch. 163, part III, F.S.

- Fire and emergency medical service calls to the area proportionately higher than in the remainder of the county or municipality;
- A greater number of violations of the Florida Building Code in the area than the number of violations recorded in the remainder of the county or municipality;
- Diversity of ownership or defective or unusual conditions of title which prevent the free alienability of land within the deteriorated or hazardous area;
- Governmentally owned property with adverse environmental conditions caused by a public or private entity; or
- A substantial number or percentage of properties damaged by sinkhole activity that have not been adequately repaired or stabilized.³⁵

An area also may be classified as blighted if one of the above factors is present and all taxing authorities with jurisdiction over the area have agreed that the area is blighted by either interlocal agreement or by passage of a resolution by the governing bodies of such taxing authorities.³⁶

An area is considered a slum if it has physical or economic conditions conducive to disease, infant mortality, juvenile delinquency, poverty, or crime because there is a predominance of buildings or improvements in poor states of repair with one of the following factors present:

- Inadequate provision for ventilation, light, air, sanitation, or open spaces;
- High density of population, compared to the population density of adjacent areas within the county or municipality, and overcrowding, as indicated by government-maintained statistics or other studies and the requirements of the Florida Building Code; or
- The existence of conditions that endanger life or property by fire or other causes.³⁷

CRAs may not levy or collect taxes; however, the county or municipality that created the CRA may establish a community redevelopment trust fund that is funded through tax increment financing (TIF). The amount of TIF available to the agency in a given year is equal to an amount — set by the county or municipality that created the CRA — between 50 and 95 percent of the difference between:

- The amount of ad valorem taxes levied in the current year by each taxing authority, excluding any debt service millage, on taxable real property within the boundaries of the community redevelopment area; and
- The amount of ad valorem taxes that would have been produced by levying the current year's millage rate for each taxing authority, excluding any debt service millage, on taxable real property within the boundaries of the community redevelopment area at the total assessed value of the taxable real property prior to the effective date of the ordinance providing for the redevelopment trust fund.³⁸

As of December 1, 2023, there are 220 active CRAs statewide.³⁹

Independent Special Fire Control Districts

An independent special fire control district is a type of independent special district created by the Legislature to provide fire suppression and related activities within the territorial jurisdiction of the district.⁴⁰ As of December 1, 2023, there were 54 active independent special fire control districts.⁴¹

The Independent Special Fire Control District Act (ISFCDA)⁴² provides standards, direction, and procedures for the uniform operation and governance of these districts, including financing authority,

³⁵ S. 163.340(8), F.S.

³⁶ *Id.*

³⁷ S. 163.340(7), F.S.

³⁸ S. 163.387(1)(a), F.S.

³⁹ Dept. of Commerce, *supra* note 9.

⁴⁰ S. 191.003(5), F.S.

⁴¹ Dept. of Commerce, *supra* note 9.

⁴² Ch. 191, F.S.

fiscally-responsible service delivery, and elections.⁴³ The ISFDCA controls over more specific provisions in any special act or general law of local application creating a fire control district's charter,⁴⁴ requires every fire control district be governed by a five-member board,⁴⁵ and provides:

- General powers;⁴⁶
- Special powers;⁴⁷
- Authority and procedures for the assessment and collection of ad valorem taxes;⁴⁸
- Authority and procedures for the imposition, levy, and collection of non-ad valorem assessments, charges, and fees;⁴⁹ and
- Issuance of district bonds and evidence of debt.⁵⁰

Fire control districts may levy ad valorem taxes on real property within the district of no more than 3.75 mills unless a greater amount was previously authorized.⁵¹ A district also may levy non-ad valorem assessments and adopt a schedule of reasonable fees for services performed.⁵² Additionally, the district board may impose an impact fee if authorized by law and the local general purpose government has not adopted an impact fee for fire services that is distributed to the district for the purchase of new facilities and equipment.⁵³

The Division of State Fire Marshal (division) is responsible for establishing training courses and examinations necessary to obtain a firefighter or volunteer firefighter certification.⁵⁴ The division is responsible for issuing a certificate of compliance to any firefighter or volunteer firefighter who completes a minimum standards course or show proof of equivalent training in another state, and passes an exam within one year of completing the minimum standards course.⁵⁵ Additionally, the applicant must be in good physical condition, as determined by a medical examination, and have good moral character, as determined by a background investigation that includes the processing of fingerprints for a national criminal background check.⁵⁶

Mosquito Control Districts

Mosquito control districts (MCDs) are created to protect health and safety, improve quality of life, promote economic development, and allow for the enjoyment of natural attractions of the state by reducing the number of insects that transmit disease within their boundaries.⁵⁷ An MCD may contain part or all of a county or municipality.⁵⁸ As of December 1, 2023, there are 18 mosquito control districts: 15 independent and three dependent districts.⁵⁹

⁴³ S. 191.002, F.S.

⁴⁴ S. 191.004, F.S. Provisions in other laws pertaining to district boundaries or geographical sub-districts for electing members to the governing board are excepted from this section.

⁴⁵ S. 191.005(1)(a), F.S. (fire control district may continue to be governed by a three-member board if authorized by special act adopted in or after 1997).

⁴⁶ S. 191.006, F.S. (e.g. the power to sue and be sued in the name of the district, the power to contract, and the power of eminent domain).

⁴⁷ S. 191.008, F.S.

⁴⁸ Ss. 191.006(14) and 191.009(1), F.S.

⁴⁹ Ss. 191.006(11) and (15); 191.009(2), (3), and (4); and 191.011, F.S.

⁵⁰ S. 191.012, F.S.

⁵¹ S. 191.009(1), F.S. *But see* art. VII, s. 9, Fla. Const. (special districts may not levy an ad valorem tax in excess of the millage "authorized by law approved by vote of the electors.")

⁵² Ss. 191.009(2)-(3), F.S. If the district levies a non-ad valorem assessment to fund emergency medical and transport services, the district is prohibited from levying an ad valorem tax to fund those services.

⁵³ S. 191.009(4), F.S.

⁵⁴ S. 633.408(1), F.S.

⁵⁵ S. 633.408(4)(a)-(b), F.S.

⁵⁶ Ss. 633.408(4)(c) and 633.412, F.S.

⁵⁷ Ss. 388.0101 and 388.011(5), F.S.

⁵⁸ S. 388.021(1), F.S.

⁵⁹ Dept. of Commerce, *supra* note 9.

The creation of new MCDs has been prohibited since July 1, 1980.⁶⁰ In counties without a district, the board of county commissioners may exercise the rights, powers, and duties authorized by statute for a MCD or may direct the county health department to do so.⁶¹

Mosquito control districts may levy an ad valorem tax of up to 10 mills on real and personal property within the district.⁶²

The Department of Agriculture and Consumer Services (DACS) is responsible for coordinating the activities of MCDs receiving state funds.⁶³ To be eligible to receive state funds for arthropod control during a local government fiscal year, each MCD must submit a tentative work plan and detailed work plan budget to DACS by July 15 of the preceding fiscal year. The work plan and budget may be amended by the district with DACS approval.⁶⁴ Each district is also required to submit an expenditure report for the preceding month within 30 days after the end of that month.⁶⁵

Neighborhood Improvement Districts

A neighborhood improvement district (NID) is a district located in an area in which more than 75 percent of the land is used for residential purposes or for commercial, office, business, or industrial purposes and where there is a plan to reduce crime through environmental design, environmental security, defensible space techniques, or community policing innovations.⁶⁶ Unless preempted by ordinance, an NID has powers include the power to improve street lighting, parks, streets, drainage, utilities, swales, and open areas and to provide safe access to mass transportation facilities.⁶⁷

The Safe Neighborhood Act of 1987 (SNA) authorized the governing body of a county or a municipality to approve NID formation⁶⁸ by adopting a planning ordinance⁶⁹ and required NIDs to register and file certain documents with the department.⁷⁰ The SNA also directed local governments to cooperate with and seek the involvement of community organizations such as churches, chambers of commerce, community development corporations, civic associations, neighborhood housing services, urban leagues, and other not-for-profit organizations to create NIDs.⁷¹

As of December 1, 2023, there are 22 active NIDs in the state.⁷²

⁶⁰ S. 388.021(2), F.S.

⁶¹ Ss. 388.241 and 388.251, F.S. The county health department must keep the books and make all reports require under ch. 388, F.S., and all purchases, whether by bid or otherwise, must be made in accordance with the procedures allowed by the board of county commissioners. The health department must also submit to the board of county commissioners itemized monthly statements of expenses incurred in carrying out the control program in the county.

⁶² S. 388.221(1), F.S.

⁶³ S. 388.271(1), F.S.

⁶⁴ S. 288.281, F.S.

⁶⁵ S. 388.341, F.S. The reports must detail activities and accomplishments as may be required by DACS.

⁶⁶ S. 163.517, F.S.

⁶⁷ S. 163.514, F.S.

⁶⁸ A county or municipality may create one of four types of NIDs: a local government NID; a property owners' association NID; a special NID; or a community redevelopment NID.

⁶⁹ An ordinance approving NID formation must specify the NID's name, size, and boundaries. Ss. 163.506(1)(a), 163.508(1)(b), 163.511(1)(d), 163.512(1)(a), and 163.517, F.S.

⁷⁰ S. 163.5055(1), F.S.

⁷¹ A local government working with community organizations for NID creation may enter into agreements with and compensate such organizations to undertake activities authorized under the SNA, except the preparation of safe neighborhood improvement plans. S. 163.523, F.S.

⁷² Dept. of Commerce, *supra* note 9.

Inactive Special Districts

Whether dependent or independent, the department must declare a special district inactive if it meets one of the following criteria:

- The registered agent of the district, the chair of the district's governing body, or the governing body of the appropriate county or municipality:
 - Provides written notice to the department that the district has taken no action for two or more years;
 - Provides written notice to the department that the district has not had a governing body or a sufficient number of governing body members to constitute a quorum for two or more years; or
 - Fails to respond to an inquiry by the department within 21 days.⁷³
- The department determines the district failed to file certain specified reports,⁷⁴ including required financial reports.⁷⁵
- The district has not had a registered office or agent on file with the department for one or more years.⁷⁶
- The governing body of the district provides documentation to the department that it has unanimously adopted a resolution declaring the district inactive.⁷⁷

After the department determines at least one of these criteria applies to the special district, a notice of the proposed declaration of inactive status may be published by the department, the county or municipality for the area where the district is located, or the district itself. The notice must be published in a newspaper of general circulation in the county or municipality where the special district is located, and a copy of the notice must be sent by certified mail to the registered agent or chair of the district's board.⁷⁸ The notice must include the name of the district, the law under which the district was organized and operating, a general description of the territory of the district, and a statement that any objections to the declaration must be filed pursuant to chapter 120, F.S.,⁷⁹ within 21 days after the publication date. If no objection is filed within the 21-day period, the department declares the district inactive.⁸⁰

Additionally, a CRA must be declared inactive if it has reported no revenue, no expenditures, and no debt for in its annual financial reports and annual financial audit reports for six consecutive fiscal years beginning on October 1, 2016.⁸¹ The declaration must be delivered to the governing body or registered agent of the agency, unless the agency does not have one, in which case the declaration is delivered the governing body of the county or municipality that created the CRA. Upon receipt of the declaration, the governing body of the CRA has 30 days to seek to invalidate the declaration by filing a petition for administrative hearing or filing for declaratory and injunctive relief in the circuit court.⁸² A CRA that has been declared inactive may expend funds from the redevelopment trust fund only as necessary to service outstanding bond debt.⁸³

After declaring a special district inactive, the department must send written notice of the declaration to the authorities that created the district.⁸⁴ This notification is intended to facilitate the process of dissolving districts that have been declared inactive.⁸⁵ For districts created by special act, the

⁷³ S. 189.062(1)(a)1.-3., F.S.

⁷⁴ S. 189.066, F.S.

⁷⁵ S. 189.062(1)(a)4., F.S. See ss. 189.016(9), 218.32, and 218.39, F.S.

⁷⁶ S. 189.062(1)(a)5., F.S.

⁷⁷ S. 189.062(1)(a)6., F.S.

⁷⁸ S. 189.062(1)(b), F.S.

⁷⁹ Chapter 120, F.S., is the Administrative Procedure Act.

⁸⁰ S. 189.062(1)(c), F.S.

⁸¹ S. 163.3756(2)(a), F.S.

⁸² S. 163.3756(2)(b), F.S.

⁸³ S. 163.3756(3), F.S.

⁸⁴ S. 189.062(3), F.S.

⁸⁵ See ss. 189.071(3) and 189.072(3), F.S.

declaration of inactive status fulfills the constitutional notice requirement for the repeal of those special acts.⁸⁶ Current law also provides that the special acts creating or amending the charter of an inactive special district may be repealed by general law.⁸⁷

A district declared inactive may not collect taxes, fees, or assessments until the declaration of invalid status is withdrawn, revoked by the department, or invalidated in an administrative proceeding or civil action.⁸⁸ Any property and assets of a special district declared inactive must first be used to pay any debts of the district,⁸⁹ and any remaining property or assets then escheat to the county or municipality in which the district is located. If the district's property or assets are insufficient to pay its outstanding debts, the county or municipality in which the district was located may assess and levy taxes within the territory of the inactive district as necessary to pay the remaining debt.

Declaring a special district inactive does not dissolve the district or otherwise cease its legal existence. Subsequent action is required to repeal the legal authority creating the district, whether by the Legislature or the county or municipality that created the district.⁹⁰

Local Government Financial Reports and Audits

Florida law requires all units of local government, including special districts,⁹¹ to complete annual financial reports and annual financial audit reports. Each district must submit its annual financial report to the Department of Financial Services (DFS) within nine months of the completion of its fiscal year.⁹² If a district fails to file a completed annual financial report within the required period, DFS must notify the Legislative Auditing Committee and the Special District Accountability Program.⁹³

Special districts with revenues or total expenditures and expenses exceeding \$100,000 must have an annual financial audit prepared by an independent certified public accountant, unless the district has been notified before the start of the fiscal year that the Auditor General will conduct a financial audit for that year.⁹⁴ Special districts with revenues (or a total of expenditures and expenses) between \$50,000 and \$100,000 are required to conduct a financial audit every three years.⁹⁵ The financial audit must be performed according to specific statutory criteria and the rules of the Auditor General.⁹⁶ The audit report for a dependent special district, except for a CRA with revenues (or a total of expenditures and expenses) in excess of \$100,000, may be included in the annual financial audit report of the county or municipality on which it is dependent. The audit report must be filed with the Auditor General within 45 days of its receipt by the district, but no later than nine months after the end of the fiscal year.⁹⁷

The annual financial report and audit financial report for all special districts must specify separately:

- The total number of district employees compensated in the last pay period of the fiscal year being reported;
- The total number of independent contractors who received non-employee compensation during the last month of the fiscal year being reported;
- All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency;

⁸⁶ S. 189.062(3)(a), F.S.

⁸⁷ *Id.*

⁸⁸ S. 189.062(5), F.S.

⁸⁹ S. 189.062(2), F.S.

⁹⁰ S. 189.062(4), F.S.

⁹¹ S. 189.016(9), F.S., requires all special districts to complete annual financial reports and annual financial audit reports.

⁹² A district that is required to complete a financial audit report must submit both reports within 45 days of the completion of the audit report, but still no later than nine months after the completion of the fiscal year. S. 218.32(1)(d), F.S.

⁹³ S. 218.32(1)(f), F.S. A special district required to have a financial audit conducted must file a copy of the audit report along with its annual financial report. S. 218.32(1)(d) F.S.

⁹⁴ S. 218.39(1), F.S.

⁹⁵ S. 218.39(1)(h), F.S.

⁹⁶ S. 218.39(2)-(7), F.S. See ch. 10.550, Local Governmental Entity Audits (9-30-2023), at https://flauditor.gov/pages/pdf_files/10_550.pdf (last visited Dec. 1, 2023).

⁹⁷ S. 218.39(7), F.S.

- All compensation earned by or awarded to non-employee independent contractors, whether paid or accrued, regardless of contingency;
- Each construction project with a total cost of at least \$65,000 approved by the district to begin after October 1 of the fiscal year being reported and the total expenditures for the project; and
- A budget variance report⁹⁸ showing how district spending compared to the original budget for the year.⁹⁹

The annual financial report and annual financial audit report of each independent special district that levies ad valorem taxes or non-ad valorem special assessments must include the rates of such levies, the total amount collected by the levies, and the total amount of all outstanding bonds issued by the district and the terms of such bonds.¹⁰⁰

Municipal Conversion of Independent Special Districts

Current law provides a process for an independent special district to be converted into a municipality.¹⁰¹ The electors of an independent special district can petition the governing body of the district to commence a municipal conversion if the independent special district is:

- Created by special act of the Legislature;
- Designated as an improvement district, created pursuant to chapter 298, F.S., or is designated as a stewardship district, created pursuant to s. 189.031, F.S.;
- Governed by an elected board that agrees to the conversion;
- Provides at least four of the following municipal services: water, sewer, solid waste, drainage, roads, transportation, public works, fire and rescue, street lighting, parks and recreation, or library or cultural facilities; and
- Contains no territory located within the jurisdictional limits of an existing municipality.¹⁰²

The petition must follow a statutorily-specified format and be signed by at least 40 percent of the qualified electors of the district no later than one year after the start of the qualified elector-initiated municipal conversion proceeding.¹⁰³ The petition must be filed with the governing body of the district and submitted to the supervisor of elections in the county where the district is located.¹⁰⁴ The supervisor of elections must certify to the governing body of the district the number of signatures by qualified electors within 30 business days of receipt.

Upon receiving a petition with a sufficient number of signatures, the governing body of the district must meet within 30 business days to prepare and adopt a proposed elector-initiated combined conversion and incorporation plan containing:

- The name of the independent special district to be converted to a municipality;
- The name of the municipality to be created;
- The conversion schedule;
- Certification by a licensed surveyor that the boundaries of the proposed municipality do not overlap with any other municipal boundary and are contained within a single county;
- The rights, duties, and obligations of the municipality, and a feasibility study that contains the requirements under the municipal incorporation statutes, except certain population thresholds usually required for municipal incorporation do not apply if the buildout of the land use allowed

⁹⁸ A budget variance report sets out the difference between the budgeted amounts and actual expenses and revenues.

⁹⁹ Ss. 218.32(1)(e)2.-3., F.S.

¹⁰⁰ S. 218.31(1)(e)4.-5., F.S.

¹⁰¹ S. 165.0615, F.S.

¹⁰² S. 165.0615(1), F.S.

¹⁰³ S. 165.0615(2), F.S.

¹⁰⁴ S. 165.0615(3), F.S.

under the current county-approved comprehensive plan and zoning designations will meet the population and density requirements of the statute;¹⁰⁵

- The territorial boundaries of the proposed municipality;
- The governmental organization of the proposed municipality and independent special district as the organization concerning elected and appointed officials and public employees, along with a transitional plan and schedule for elections and appointments of officials;
- An accounting of the independent special district's assets, including, but not limited to, real and personal property, and the current value of the property;
- An accounting of the independent special district's liabilities and indebtedness, bonded and otherwise, and the current value of the liabilities and indebtedness;
- Terms for addressing the ownership and obligations related to existing assets, liabilities, and indebtedness of the independent special district;
- Terms for the common administration and uniform enforcement of existing laws within the proposed municipality;
- An estimated date for final payment of any bonded indebtedness of the independent special district, and if maintained by the district after incorporation, the estimated date of automatic dissolution of the independent special district;
- The time and place for a public hearing on the proposed incorporation; and
- The effective date of the proposed incorporation.¹⁰⁶

Within five business days after adopting the plan, the governing body of the district must:

- Provide a copy of the plan, as well as a descriptive summary, for public inspection in at least three public places within the district;
- Publish a copy of the plan, as well as a descriptive summary, to the district's website or a website maintained by the county in which the district is located; and
- Arrange for the publication of the descriptive summary and the list of locations where the plan may be reviewed in a newspaper of general circulation within the district at least once each week for four successive weeks.¹⁰⁷

The district must conduct at least one public hearing on the plan.¹⁰⁸ All public hearings on the plan must be held on weekdays and may not occur until at least seven business days after the first advertisement about the plan is published. The district must also conduct a final public hearing and provide notice at least seven days before the hearing in a newspaper of general circulation.¹⁰⁹ The notice for the final public hearing must contain the descriptive summary of the plan and the list of locations where the plan may be reviewed.

Revisions to the plan made after the final hearing may only occur if those revisions comply with notice and public hearing requirements.¹¹⁰ The governing body of the district must approve a final version within 60 business days after the final hearing. After the final hearing, the governing body of the district notifies the supervisor of elections, who schedules a date for the conversion referendum.¹¹¹ There must be at least 60 business days between the District's adoption of the plan and the referendum.¹¹²

The district must publish notice 30 days prior to the referendum.¹¹³ The notice must be published at least twice, in the fifth and third weeks before the referendum. The notice must contain:

¹⁰⁵ See s. 165.061(1)(b) and (d), F.S. (requiring an area proposed for municipal incorporation to have a population of at least 1,500 in counties with a population of 75,000 or less (at least 5,000 in counties with a population of more than 75,000), an average population density of 1.5 persons per acre, and a minimum distance of at least two miles from any existing municipality in the same county).

¹⁰⁶ S. 165.0615(4), F.S.

¹⁰⁷ S. 165.0615(6), F.S.

¹⁰⁸ S. 165.0615(7), F.S.

¹⁰⁹ S. 165.0615(8), F.S.

¹¹⁰ S. 165.0615(9), F.S.

¹¹¹ S. 165.0615(10), F.S.

¹¹² S. 165.0615(5), F.S.

¹¹³ Ss. 100.342, 165.0615(11), F.S.

- A brief summary of the resolution and plan;
- A statement as to where the plan may be reviewed;
- The name of the district to be converted and a description of the territory included in the plan;
- The time and place where the referendum will be held; and
- Other matters necessary to call, provide for, and give notice of the referendum to provide for its conduct and the canvassing of the returns.¹¹⁴

If the referendum is approved, the district is governed as before until the effective date specified in the plan, at which point the new municipality is created.¹¹⁵ If the referendum fails, the conversion process may not be re-initiated for at least two years after the date of the referendum.¹¹⁶

Performance Reviews

Current law requires certain special districts to conduct performance reviews to evaluate the programs, activities, and functions of those districts, including:

- The purpose and goals as stated in the district's charter;
- The district's goals and objectives for each program and activity, the problem or need that the program or activity was designed to address, the expected benefits of each program and activity, and the performance measures and standards used by the special district to determine if the program or activity achieves the district's goals and objectives;
- The delivery of services by the district, including alternative methods of providing those services that would reduce costs and improve performance;
- A comparison of similar services provided by the county and municipal governments located wholly or partially within its boundaries, including similarities and differences in services, relative costs and efficiencies, and possible service consolidations;
- The revenues and costs of programs and activities of the district, using data from the current year and the previous 3 fiscal years;
- The extent to which the district's goals and objectives have been achieved;
- Any performance measures and standards of the district's program and activities using data from the current year and the previous three fiscal years;
- Factors that have contributed to any failure to meet the district's performance measures and standards or achieve the district's goals and objectives; and
- Recommendations for statutory or budgetary changes to improve the district's program operations, reduce costs, or reduce duplication.¹¹⁷

All independent special fire control districts and each hospital governed by the governing body of a special district or the board of trustees of a public health trust must conduct a performance review every five years beginning October 1, 2022, and October 1, 2023, respectively.¹¹⁸

All fire control districts not located within a rural area of opportunity and all hospital districts must contract with an independent entity to conduct the performance review, while the Office of Program Policy Analysis and Government Accountability (OPPAGA) must conduct a performance review of each fire control district located within a rural area of opportunity. The completed performance review must be filed with the governing body of the district, the Auditor General, the President of the Senate, and the Speaker of the House of Representatives no later than nine months from the beginning of the fiscal year in which the report is due.

¹¹⁴ S. 165.0615(11), F.S.

¹¹⁵ S. 165.0615(18), F.S.

¹¹⁶ S. 165.0615(17), F.S.

¹¹⁷ S. 189.0695(1), F.S.

¹¹⁸ S. 189.0695(2), F.S.

OPPAGA has also been directed to conduct performance review of all independent mosquito control districts and soil and water conservation districts.¹¹⁹ These reviews must be submitted to the President of the Senate and the Speaker of the House of Representatives by September 30, 2023, and September 30, 2024, respectively.

Effect of Proposed Changes

Term Limits

The bill establishes a term limit of 12 years for members of an elected body governing an independent special district, unless the district's charter provides for more restrictive terms of office. Any term of office that commenced before November 5, 2024, does not count toward the limitation created by the bill. This provision does not apply to the governing body of a CDD or any independent special district created by special act that provides any amendment to ch. 190, F.S., to grant additional powers constitutes a power of the district, and does not require an independent special district governed by an appointed governing body to convert to an elected body.

Voter Reauthorization of Independent Special Districts Exercising Ad Valorem Tax Authority

The bill requires the governing body of each independent special district that exercises ad valorem taxing powers to conduct a referendum asking the electors of the district to approve its continued existence according to the following schedule:

- For districts created before January 1, 2018, at the 2026 general election.
- For districts created on or after January 1, 2018, at the next general election held 10 years after the creation date of the district.

If the voters approve of the continuation of the district, the governing body of the district must call another referendum every 10 years thereafter to confirm the continuation of the district.

If the voters of the district do not approve the continuation of the district, the governing body of the district may not incur any additional obligations or indebtedness, including the issuance of new bonds or extending the maturity date of any outstanding bonds, other than expenses incurred in the ordinary course of business. Within 90 days after the date of the referendum, the governing body must adopt a dissolution plan that includes provisions for:

- Liquidating all of the district's assets;
- Satisfying all of the district's obligations and indebtedness;
- Ensuring the continuity of public services provided by the district; and
- Providing a date on which the district will terminate its operations.

The dissolution plan resolution must be considered at a public meeting held specifically to consider the dissolution plan that is not a regularly scheduled or emergency meeting of the governing body of the independent special district. The proposed dissolution plan must be posted on the district's official website at least 2 days before the meeting. The adopted dissolution plan must be posted on the independent special district's official website within 30 days after adoption and must remain on the website. The governing body of the district must submit the dissolution plan to the county or municipality in which it is located and to the department within 30 days after adoption.

The bill provides the format of ballot question to be used in the referendum, to include the name of the district, the maximum millage that has been authorized by voters, and the type of service provided by the district.

This section does not apply to CDDs, water management districts, inland navigation districts, or any independent special districts created by special act that provides any amendment to ch. 190, F.S., to grant additional powers constitutes a power of the district.

Inactive Special Districts

The bill revises the criteria for declaring a special district inactive to include:

- Any independent special district or CRA that has reported no revenue, no expenditures, and no debt pursuant to current reporting requirements¹²⁰ for at least five consecutive fiscal years beginning no earlier than October 1, 2018.¹²¹
- Any special district that has unresolved audit findings for three consecutive annual financial audit reports; or
- For mosquito control districts, any district for which the department has received notice from DACS that the district has failed to file a tentative work plan and tentative detailed work plan budget.

For a dependent special district with a governing body that is not identical to a single county or municipality, the bill requires the department to provide notice by certified mail of the proposed declaration of inactive status to the governing body of a county or municipality of which a district is dependent.

The bill extends the period to file an objection pursuant to ch. 120, F.S., to a proposed declaration from 21 days to 30 days and provides that the objection may include that the special district has outstanding debt obligations that are not included in the annual financial report or annual financial audit report.

The bill provides that a special district declared inactive may only expend funds as necessary to service outstanding debt.

The bill repeals s. 163.3756, F.S., to make provisions concerning CRAs consistent with those that apply other types of special districts.

Municipal Conversion of Independent Special Districts

The bill repeals s. 165.0615, F.S., which allows a special district to convert itself into a municipality without approval by the Legislature.

Performance Measures and Standards

The bill requires each special district must establish goals and objectives for each program and activity undertaken by the district, as well as performance measures and standards to determine if the district's goals and objectives are being achieved, by October 1, 2024, or the end of the first full fiscal years after its creation, whichever is later. Each district is required to prepare an annual report by October 1 of each year thereafter describing the goals and objectives achieved by the district, as well as performance measures and standards used by the district to make this determination, and any goals or objectives the district failed to achieve.

The bill requires the Florida Coordinating Council on Mosquito Control within DACS to develop model goals, objectives, and performance measures for MCDs by August 30, 2024.

¹²⁰ See ss. 189.016, 215.32, F.S.

¹²¹ This provision does not apply to community development districts or any independent special districts created by special act that provides any amendment to ch. 190, F.S., to grant additional powers constitutes a power of the district.

Community Development Districts

The bill requires any petition to create a CDD include a sworn affidavit, signed by the petitioner, attesting that the planned development of the proposed district will contain sufficient residential units for at least 250 qualified electors within a proposed district of 5,000 acres or less, or at least 500 qualified electors within a proposed district exceeding 5,000 acres or a compact, urban, mixed-use district, the number of electors required to transition to a board elected by the electors of the district.

Independent Special Fire Control Districts

The bill requires all independent special fire control districts to report to the Division of State Fire Marshal whether each district's firefighters and volunteer firefighters have completed the required training and certifications establish by the division.

Mosquito Control Districts

The bill requires all MCDs to perform the prerequisites for approval for the receipt of state funds for arthropod control from DACS by filing a tentative work plan and tentative detailed work plan budget. If the district fails to submit a tentative work plan and tentative detailed work plan budget, DACS shall send notice of such failure to department within 30 days.

Neighborhood Improvement Districts

The bill prohibits the creation of new NIDs effective July 1, 2024, and provides that neighborhood improvement districts created before this date may continue to operate as provided by current law

The bill directs OPPAGA to conduct a performance review of NIDs to be completed by September 30, 2025.

B. SECTION DIRECTORY:

- Section 1: Repeals s. 163.3756, F.S., relating to inactive community redevelopment agencies.
- Section 2: Amends s. 163.504, F.S., relating to safe neighborhood improvement districts after a certain date.
- Section 3: Repeals s. 165.0615, F.S., relating to municipal conversion of independent special districts upon elector-initiated and approved referendum.
- Section 4: Creates s. 189.0312, F.S., relating to term of office.
- Section 5: Creates s. 189.0313, F.S., relating to voter reauthorization of independent special districts with ad valorem taxing powers.
- Section 6: Amends s. 189.062, relating to special procedures for inactive districts.
- Section 7: Creates s. 189.0694, F.S., relating to special district performance measures and standards .
- Section 8: Amends s. 189.0695, F.S., relating to independent special district performance reviews.
- Section 9: Amends s. 189.016, F.S., relating to reports, budgets, and audits of special districts.
- Section 10: Amends s. 190.005, F.S., relating to establishment of community development districts.

- Section 11: Amends s. 191.013, F.S., relating to intergovernmental coordinator by independent special fire control districts.
- Section 12: Amends s. 388.271, F.S., relating to prerequisites for participation.
- Section 13: Amends s. 388.46, F.S., relating to Florida Coordinating Council on Mosquito Control.
- Section 14: Provides an effective date of July 1, 2024.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

The bill will have an indeterminate, but likely insignificant, negative fiscal impact on the department to the extent that any costs will be associated with declaring additional special districts inactive under the provisions of the bill. Additionally, the bill may also require expenditures by DACS to develop model goals, objectives, and performance measures and standards.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

The bill may have an indeterminate, negative fiscal impact on local government expenditures as it requires special districts to conduct continuation referenda at specified intervals. Additionally, the bill will have a negative fiscal impact on special districts to the extent that expenditures will be incurred to hire and train additional staff in order to comply with additional reporting requirements created by the bill.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

OPPAGA will incur expenditures related to conducting performance reviews for NIDs.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not Applicable. This bill does not appear to affect county or municipal governments.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

This bill neither provides authority for nor requires rulemaking by executive branch agencies.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

Not applicable.

1 A bill to be entitled
 2 An act relating to special districts; repealing s.
 3 163.3756, F.S., relating to inactive community
 4 redevelopment agencies; amending s. 163.504, F.S.;
 5 prohibiting the creation of new neighborhood
 6 improvement districts after a date certain; repealing
 7 s. 165.0615 F.S., relating to municipal conversion of
 8 independent special districts upon elector-initiated
 9 and approved referendum; creating s. 189.0312, F.S.;
 10 providing term limits for elected members of governing
 11 bodies of independent special districts; providing an
 12 exception; providing construction; creating s.
 13 189.0313, F.S.; requiring continuation of independent
 14 special districts that levy ad valorem taxes;
 15 providing the ballot question; providing procedures if
 16 reauthorization is approved or is not approved by
 17 voters; providing exceptions; amending s. 189.062,
 18 F.S.; providing additional criteria for declaring a
 19 special district inactive; requiring certain special
 20 districts to provide notice of a proposed declaration
 21 of inactive status in the county or municipality under
 22 certain circumstances; revising the time period for
 23 filing an objection to a proposed declaration;
 24 authorizing a specific objection; providing that a
 25 district declared inactive may only expend funds as

26 necessary to service outstanding debt; creating s.
 27 189.0694, F.S.; requiring special districts to
 28 establish performance measures to assess performance;
 29 requiring special districts to publish an annual
 30 report concerning performance measures; amending s.
 31 189.0695, F.S.; requiring the Office of Program Policy
 32 Analysis and Governmental Accountability to conduct
 33 performance reviews; amending s. 189.016, F.S.;
 34 requiring independent districts that have been
 35 continued to file reports and information to specified
 36 entities; amending s. 190.005, F.S.; requiring
 37 petition for creation of a community development
 38 district to contain specified information; amending s.
 39 191.013, F.S.; requiring independent special fire
 40 control districts to annually report training
 41 information to the Division of State Fire Marshal;
 42 amending s. 388.271, F.S.; requiring, instead of
 43 authorizing, special districts to file tentative work
 44 plans and work plan budgets at specified intervals;
 45 requiring the Department of Agriculture and Consumer
 46 Services to report to the Department of Commerce if
 47 certain special districts fail to submit specified
 48 information; amending s. 388.46, F.S.; requiring
 49 Florida Coordinating Council on Mosquito Control to
 50 establish model measures to assist districts in

51 | conducting performance monitoring; providing an
52 | effective date.

53 |
54 | Be It Enacted by the Legislature of the State of Florida:

55 |
56 | Section 1. Section 163.3756, Florida Statutes, is
57 | repealed.

58 | Section 2. Section 163.504, Florida Statutes, is amended
59 | to read:

60 | 163.504 Safe neighborhood improvement districts; formation
61 | authorized by ordinance; jurisdictional boundaries; prohibition
62 | on future creation.—

63 | (1) The governing body of any municipality or county may
64 | authorize the formation of safe neighborhood improvement
65 | districts through the adoption of a planning ordinance which
66 | specifies that such districts may be created by one or more of
67 | the methods established in ss. 163.506, 163.508, 163.511, and
68 | 163.512. No district may overlap the jurisdictional boundaries
69 | of a municipality and the unincorporated area of a county,
70 | except by interlocal agreement.

71 | (2) A safe neighborhood improvement district may not be
72 | created on or after July 1, 2024. A safe neighborhood
73 | improvement district in existence before July 1, 2024, may
74 | continue to operate as provided in this part.

75 | Section 3. Section 165.0615, Florida Statutes, is

76 repealed.

77 Section 4. Section 189.0312, Florida Statutes, is created
78 to read:

79 189.0312 Term of office.—

80 (1) A member of an elected governing body of an
81 independent special district may not serve for more than 12
82 consecutive years, unless the district's charter provides for
83 more restrictive terms of office. Service of a term of office
84 that commenced before November 5, 2024, does not count toward
85 the limitation imposed by this subsection.

86 (2) This section does not apply to a community development
87 district established under chapter 190, or an independent
88 special district created pursuant to a special act that provides
89 that any amendment to chapter 190 to grant additional powers
90 constitutes a power of the district.

91 (3) This section does not require an independent special
92 district governed by an appointed governing body to convert to
93 an elected governing body.

94 Section 5. Section 189.0313, Florida Statutes, is created
95 to read:

96 189.0313 Independent special districts with ad valorem
97 taxing powers; voter reauthorization.—

98 (1) The governing body of each independent special
99 district that exercises ad valorem taxing powers created:

100 (a) Before January 1, 2018, shall conduct a referendum to

101 be held in conjunction with the general election held on
 102 November 3, 2026, containing the ballot question described in
 103 subsection (3).

104 (b) On or after January 1, 2018, shall conduct a
 105 referendum to be held in conjunction with the next general
 106 election held 10 years after the creation date of the district
 107 containing the ballot question in subsection (3).

108 (2) (a) If a majority of the qualified electors voting in
 109 the referendum approves the continuation of the independent
 110 special district, the governing body of the special district
 111 must conduct another referendum containing the ballot question
 112 in subsection (3) held in conjunction with the general election
 113 every 10 years thereafter until such time as the continuation of
 114 the independent special district is no longer approved by a
 115 majority vote of the qualified electors voting in the
 116 referendum.

117 (b) If a majority of the qualified electors does not
 118 approve the continuation of the independent special district,
 119 the governing body of the district may not incur any additional
 120 obligations or indebtedness, including the issuance of new bonds
 121 or extending the maturity date of any outstanding bonds, other
 122 than expenses incurred in the ordinary course of business.
 123 Within 90 days after the date of the referendum, the governing
 124 body of the district, by resolution, must adopt a dissolution
 125 plan that includes provisions for liquidating all of the

126 district's assets, satisfying all of the district's obligations
 127 and indebtedness, ensuring the continuity of public services
 128 provided by the district, and providing a date on which the
 129 district will terminate its operations. The resolution shall be
 130 considered at a public meeting held specifically to consider the
 131 dissolution plan that is not a regularly scheduled or emergency
 132 meeting of the governing body of the independent special
 133 district. The proposed dissolution plan must be posted on the
 134 district's official website at least 2 days before the meeting.
 135 The adopted dissolution plan must be posted on the independent
 136 special district's official website within 30 days after
 137 adoption and must remain on the website. The governing body of
 138 the district must submit its dissolution plan to the local
 139 governing authority or authorities and to the department within
 140 30 days after adoption.

141 (3) A referendum called pursuant to this section shall
 142 contain a ballot question in substantially the following form:

144 Should the independent special district known as the (name
 145 of district), which has the authority to levy each year an
 146 ad valorem tax not to exceed (maximum millage approved by
 147 the voters) to fund (type of service provided by district)
 148 be continued for another 10 years?

149 YES

150 NO

151 (4) This section does not apply to a community development
 152 district established pursuant to chapter 190, a water management
 153 district created and operated pursuant to chapter 373, an inland
 154 navigation district established pursuant to chapter 374, or an
 155 independent special district created pursuant to a special act
 156 that provides that any amendment to chapter 190 to grant
 157 additional powers constitutes a power of that district.

158 Section 6. Subsections (1) and (2) of section 189.062,
 159 Florida Statutes, are amended to read:

160 189.062 Special procedures for inactive districts.—

161 (1) The department shall declare inactive any special
 162 district in this state by documenting that:

163 (a) The special district meets one of the following
 164 criteria:

165 1. The registered agent of the district, the chair of the
 166 governing body of the district, or the governing body of the
 167 appropriate local general-purpose government notifies the
 168 department in writing that the district has taken no action for
 169 2 or more years;

170 2. The registered agent of the district, the chair of the
 171 governing body of the district, or the governing body of the
 172 appropriate local general-purpose government notifies the
 173 department in writing that the district has not had a governing
 174 body or a sufficient number of governing body members to
 175 constitute a quorum for 2 or more years;

176 3. The registered agent of the district, the chair of the
 177 governing body of the district, or the governing body of the
 178 appropriate local general-purpose government fails to respond to
 179 an inquiry by the department within 21 days;

180 4. The department determines, pursuant to s. 189.067, that
 181 the district has failed to file any of the reports listed in s.
 182 189.066;

183 5. The district has not had a registered office and agent
 184 on file with the department for 1 or more years; ~~or~~

185 6. The governing body of a special district provides
 186 documentation to the department that it has unanimously adopted
 187 a resolution declaring the special district inactive. The
 188 special district is responsible for payment of any expenses
 189 associated with its dissolution;~~-~~

190 7. The district is an independent special district or a
 191 community redevelopment district created under part III of
 192 chapter 163 that has reported no revenue, no expenditures, and
 193 no debt under s. 189.016(9) or s. 218.32 for at least 5
 194 consecutive fiscal years beginning no earlier than October 1,
 195 2018. This subparagraph does not apply to a community
 196 development district established under chapter 190 or to any
 197 independent special district operating pursuant to a special act
 198 that provides that any amendment to chapter 190 to grant
 199 additional powers constitutes a power of that district;

200 8. The district has unresolved audit findings for three

201 consecutive annual financial audit reports performed pursuant to
 202 s. 218.39; or

203 9. For a mosquito control district created pursuant to
 204 chapter 388, the department has received notice from the
 205 Department of Agriculture and Consumer Services that the
 206 district has failed to file a tentative work plan and tentative
 207 detailed work plan budget as required by s. 388.271.

208 (b) The department, special district, or local general-
 209 purpose government has published a notice of proposed
 210 declaration of inactive status in a newspaper of general
 211 circulation in the county or municipality in which the territory
 212 of the special district is located and has sent a copy of such
 213 notice by certified mail to the registered agent or chair of the
 214 governing body, if any. If the special district is a dependent
 215 special district with a governing body that is not identical to
 216 the governing body of a single county or a single municipality,
 217 a copy of such notice must also be sent by certified mail to the
 218 governing body of the county or municipality on which the
 219 district is dependent. Such notice must include the name of the
 220 special district, the law under which it was organized and
 221 operating, a general description of the territory included in
 222 the special district, and a statement that any objections must
 223 be filed pursuant to chapter 120 within 30 ~~21~~ days after the
 224 publication date. The objections may include that the special
 225 district has outstanding debt obligations that are not included

226 in reports required under s. 189.016(9) or s. 218.32.

227 (c) Thirty ~~Twenty-one~~ days have elapsed from the
 228 publication date of the notice of proposed declaration of
 229 inactive status and no administrative appeals were filed.

230 (2) If any special district is declared inactive pursuant
 231 to this section, the district may only expend funds as necessary
 232 to service outstanding debt. The property or assets of the
 233 special district are subject to legal process for payment of any
 234 debts of the district. After the payment of all the debts of
 235 said inactive special district, the remainder of its property or
 236 assets shall escheat to the county or municipality wherein
 237 located. If, however, it shall be necessary, in order to pay any
 238 such debt, to levy any tax or taxes on the property in the
 239 territory or limits of the inactive special district, the same
 240 may be assessed and levied by order of the local general-purpose
 241 government wherein the same is situated and shall be assessed by
 242 the county property appraiser and collected by the county tax
 243 collector.

244 Section 7. Section 189.0694, Florida Statutes, is created
 245 to read:

246 189.0694 Special districts; performance measures and
 247 standards.-

248 (1) Beginning October 1, 2024, or by the end of the first
 249 full fiscal year after its creation, whichever is later, each
 250 special district must establish goals and objectives for each

251 program and activity undertaken by the district, as well as
252 performance measures and standards to determine if the
253 district's goals and objectives are being achieved.

254 (2) By October 1 of each year thereafter, each special
255 district must publish an annual report on the district's website
256 describing:

257 (a) The goals and objectives achieved by the district, as
258 well as the performance measures and standards used by the
259 district to make this determination.

260 (b) Any goals or objectives the district failed to
261 achieve.

262 Section 8. Paragraph (c) is added to subsection (3) of
263 section 189.0695, Florida Statutes, to read:

264 189.0695 Independent special districts; performance
265 reviews.—

266 (3) The Office of Program Policy Analysis and Government
267 Accountability must conduct a performance review of all
268 independent special districts within the classifications
269 described in paragraphs (a), ~~and~~ (b), and (c) and may contract
270 as needed to complete the requirements of this subsection. The
271 Office of Program Policy Analysis and Government Accountability
272 shall submit the final report of the performance review to the
273 President of the Senate and the Speaker of the House of
274 Representatives as follows:

275 (c) For all safe neighborhood improvement districts as

276 defined in s. 163.503(1), no later than September 30, 2025.

277 Section 9. Subsection (10) of section 189.016, Florida
 278 Statutes, is amended to read:

279 189.016 Reports; budgets; audits.—

280 (10) All reports or information required to be filed with
 281 a local general-purpose government or governing authority under
 282 ss. 189.014, 189.015, 189.0313, and 189.08 and subsection (8)
 283 must:

284 (a) If the local general-purpose government or governing
 285 authority is a county, be filed with the clerk of the board of
 286 county commissioners.

287 (b) If the district is a multicounty district, be filed
 288 with the clerk of the county commission in each county.

289 (c) If the local general-purpose government or governing
 290 authority is a municipality, be filed at the place designated by
 291 the municipal governing body.

292 Section 10. Paragraph (a) of subsection (1) of section
 293 190.005, Florida Statutes, is amended to read:

294 190.005 Establishment of district.—

295 (1) The exclusive and uniform method for the establishment
 296 of a community development district with a size of 2,500 acres
 297 or more shall be pursuant to a rule, adopted under chapter 120
 298 by the Florida Land and Water Adjudicatory Commission, granting
 299 a petition for the establishment of a community development
 300 district.

301 (a) A petition for the establishment of a community
 302 development district shall be filed by the petitioner with the
 303 Florida Land and Water Adjudicatory Commission. The petition
 304 shall contain:

305 1. A metes and bounds description of the external
 306 boundaries of the district. Any real property within the
 307 external boundaries of the district which is to be excluded from
 308 the district shall be specifically described, and the last known
 309 address of all owners of such real property shall be listed. The
 310 petition shall also address the impact of the proposed district
 311 on any real property within the external boundaries of the
 312 district which is to be excluded from the district.

313 2. The written consent to the establishment of the
 314 district by all landowners whose real property is to be included
 315 in the district or documentation demonstrating that the
 316 petitioner has control by deed, trust agreement, contract, or
 317 option of 100 percent of the real property to be included in the
 318 district, and when real property to be included in the district
 319 is owned by a governmental entity and subject to a ground lease
 320 as described in s. 190.003(14), the written consent by such
 321 governmental entity.

322 3. A designation of five persons to be the initial members
 323 of the board of supervisors, who shall serve in that office
 324 until replaced by elected members as provided in s. 190.006.

325 4. The proposed name of the district.

326 5. A map of the proposed district showing current major
 327 trunk water mains and sewer interceptors and outfalls if in
 328 existence.

329 6. Based upon available data, the proposed timetable for
 330 construction of the district services and the estimated cost of
 331 constructing the proposed services. These estimates shall be
 332 submitted in good faith but are not binding and may be subject
 333 to change.

334 7. A designation of the future general distribution,
 335 location, and extent of public and private uses of land proposed
 336 for the area within the district by the future land use plan
 337 element of the effective local government comprehensive plan of
 338 which all mandatory elements have been adopted by the applicable
 339 general-purpose local government in compliance with the
 340 Community Planning Act.

341 8. A statement of estimated regulatory costs in accordance
 342 with the requirements of s. 120.541.

343 9. A sworn affidavit, signed by the petitioner, attesting
 344 that the planned development of the proposed district will
 345 contain sufficient residential units for at least 250 qualified
 346 electors within a proposed district of 5,000 acres or less, or
 347 at least 500 qualified electors within a proposed district
 348 exceeding 5,000 acres or a compact, urban, mixed-use district.

349 Section 11. Subsection (3) is added to section 191.013,
 350 Florida Statutes, to read:

351 191.013 Intergovernmental coordination.—

352 (3) By October 1 of each year, each independent special
 353 fire control district shall report to the Division of State Fire
 354 Marshal whether each of the district's firefighters and
 355 volunteer firefighters have completed the required trainings and
 356 certifications established by the division pursuant to s.
 357 633.408.

358 Section 12. Subsection (1) of section 388.271, Florida
 359 Statutes, is amended and subsection (3) of that section is
 360 added, to read:

361 388.271 Prerequisites to participation.—

362 (1) When state funds are involved, it is the duty of the
 363 department to guide, review, approve, and coordinate the
 364 activities of all county governments and special districts
 365 receiving state funds in furtherance of the goal of integrated
 366 arthropod control. Each county ~~or district~~ eligible to
 367 participate ~~hereunder~~ may, and each district must, begin
 368 participation on October 1 of any year by filing with the
 369 department not later than July 15 a tentative work plan and
 370 tentative detailed work plan budget providing for the control of
 371 arthropods. Following approval of the plan and budget by the
 372 department, two copies of the county's or district's certified
 373 budget based on the approved work plan and detailed work plan
 374 budget shall be submitted to the department by September 30
 375 following. State funds, supplies, and services shall be made

376 available to such county or district by and through the
 377 department immediately upon release of funds by the Executive
 378 Office of the Governor.

379 (3) If a special district fails to submit a tentative work
 380 plan and tentative detailed work plan budget as required by
 381 subsection (1), the department shall send notice of such failure
 382 to the Department of Commerce within 30 days.

383 Section 13. Paragraph (c) of subsection (2) of section
 384 388.46, Florida Statutes, is amended to read:

385 388.46 Florida Coordinating Council on Mosquito Control;
 386 establishment; membership; organization; responsibilities.—

387 (2) MEMBERSHIP, ORGANIZATION, AND RESPONSIBILITIES.—

388 (c) Responsibilities.—The council shall:

389 1. Develop and implement guidelines to assist the
 390 department in resolving disputes arising over the control of
 391 arthropods on publicly owned lands.

392 2. Develop and recommend to the department a request for
 393 proposal process for arthropod control research.

394 3. Identify potential funding sources for research or
 395 implementation projects and evaluate and prioritize proposals
 396 upon request by the funding source.

397 4. Prepare and present reports, as needed, on arthropod
 398 control activities in the state to other governmental
 399 organizations, as appropriate.

400 5. By August 30, 2024, develop model goals, objectives,

401 and performance measures and standards to assist mosquito
402 control districts in conducting performance monitoring pursuant
403 to s. 189.0694.

404 Section 14. This act shall take effect July 1, 2024.