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A bill to be entitled 1 2 An act relating to public-private partnerships; 3 transferring, renumbering, and amending s. 287.05712, 4 F.S.; revising definitions; deleting the Public-5 Private Partnership Guidelines Task Force; requiring 6 an entity that submits an unsolicited proposal to pay 7 an initial application fee and additional amounts if 8 the fee does not cover certain costs; specifying 9 payment methods; authorizing a responsible public entity to alter the statutory timeframe for accepting 10 11 proposals for a project under certain circumstances; 12 deleting a provision that requires approval of the 13 local governing body before a school board enters into 14 a comprehensive agreement; revising the conditions 15 necessary for a responsible public entity to approve a comprehensive agreement; deleting provisions relating 16 to notice to affected local jurisdictions; providing 17 18 that fees imposed by a private entity must be applied 19 as set forth in the comprehensive agreement; restricting provisions in financing agreements that 20 21 could result in a responsible public entity's losing 22 ownership of property; deleting a provision that 23 required a responsible public entity to comply with 24 specific financial obligations; providing duties of 25 the Department of Management Services; providing for construction of the act; providing an effective date. 26

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27 28 Be It Enacted by the Legislature of the State of Florida: 29 30 Section 1. Section 287.05712, Florida Statutes, is 31 transferred and renumbered as section 255.065, Florida Statutes, and amended to read: 32 255.065 287.05712 Public-private partnerships.-33 34 DEFINITIONS.-As used in this section, the term: (1)"Affected local jurisdiction" means a county, 35 (a) municipality, or special district in which all or a portion of a 36 37 qualifying project is located. 38 "Develop" means to plan, design, finance, lease, (b) acquire, install, construct, or expand. 39 40 (C) "Fees" means charges imposed by the private entity of a qualifying project for use of all or a portion of such 41 42 qualifying project pursuant to a comprehensive agreement. 43 "Lease payment" means any form of payment, including a (d) land lease, by a public entity to the private entity of a 44 45 qualifying project for the use of the project. "Material default" means a nonperformance of its 46 (e) 47 duties by the private entity of a qualifying project which 48 jeopardizes adequate service to the public from the project. "Operate" means to finance, maintain, improve, equip, 49 (f) 50 modify, or repair. 51 (q) "Private entity" means any natural person, 52 corporation, general partnership, limited liability company, Page 2 of 28

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53 limited partnership, joint venture, business trust, public
54 benefit corporation, nonprofit entity, or other private business
55 entity.

56 (h) "Proposal" means a plan for a qualifying project with 57 detail beyond a conceptual level for which terms such as fixing 58 costs, payment schedules, financing, deliverables, and project 59 schedule are defined.

60

(i) "Qualifying project" means:

1. A facility or project that serves a public purpose, 61 including, but not limited to, any ferry or mass transit 62 63 facility, vehicle parking facility, airport or seaport facility, 64 rail facility or project, fuel supply facility, oil or gas 65 pipeline, medical or nursing care facility, recreational 66 facility, sporting or cultural facility, or educational facility or other building or facility that is used or will be used by a 67 public educational institution, or any other public facility or 68 69 infrastructure that is used or will be used by the public at large or in support of an accepted public purpose or activity; 70

71 2. An improvement, including equipment, of a building that 72 will be principally used by a public entity or the public at 73 large or that supports a service delivery system in the public 74 sector;

75 3. A water, wastewater, or surface water management
76 facility or other related infrastructure; or

77 4. Notwithstanding any provision of this section, for78 projects that involve a facility owned or operated by the

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79 governing board of a county, district, or municipal hospital or 80 health care system, or projects that involve a facility owned or 81 operated by a municipal electric utility, only those projects 82 that the governing board designates as qualifying projects 83 pursuant to this section.

(j) "Responsible public entity" means a county,
municipality, school <u>district</u>, special district, Florida College
<u>System institution</u>, or state university board, or any other
political subdivision of the state; a public body corporate and
politic; or a regional entity that serves a public purpose and
is authorized to develop or operate a qualifying project.

90 (k) "Revenues" means the income, earnings, user fees, 91 lease payments, or other service payments relating to the 92 development or operation of a qualifying project, including, but 93 not limited to, money received as grants or otherwise from the 94 Federal Government, a public entity, or an agency or 95 instrumentality thereof in aid of the qualifying project.

96 (1) "Service contract" means a contract between a 97 <u>responsible</u> public entity and the private entity which defines 98 the terms of the services to be provided with respect to a 99 qualifying project.

100 (2) LEGISLATIVE FINDINGS AND INTENT.—The Legislature finds 101 that there is a public need for the construction or upgrade of 102 facilities that are used predominantly for public purposes and 103 that it is in the public's interest to provide for the 104 construction or upgrade of such facilities.

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(a) The Legislature also finds that:

106 There is a public need for timely and cost-effective 1. 107 acquisition, design, construction, improvement, renovation, 108 expansion, equipping, maintenance, operation, implementation, or 109 installation of projects serving a public purpose, including educational facilities, transportation facilities, water or 110 wastewater management facilities and infrastructure, technology 111 112 infrastructure, roads, highways, bridges, and other public 113 infrastructure and government facilities within the state which serve a public need and purpose, and that such public need may 114 115 not be wholly satisfied by existing procurement methods.

116 2. There are inadequate resources to develop new 117 educational facilities, transportation facilities, water or 118 wastewater management facilities and infrastructure, technology infrastructure, roads, highways, bridges, and other public 119 infrastructure and government facilities for the benefit of 120 residents of this state, and that a public-private partnership 121 has demonstrated that it can meet the needs by improving the 122 123 schedule for delivery, lowering the cost, and providing other 124 benefits to the public.

3. There may be state and federal tax incentives that
promote partnerships between public and private entities to
develop and operate qualifying projects.

4. A procurement under this section serves the public
purpose of this section if such procurement facilitates the
timely development or operation of a qualifying project.

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131 It is the intent of the Legislature to encourage (b) investment in the state by private entities; to facilitate 132 133 various bond financing mechanisms, private capital, and other 134 funding sources for the development and operation of qualifying 135 projects, including expansion and acceleration of such financing 136 to meet the public need; and to provide the greatest possible flexibility to public and private entities contracting for the 137 138 provision of public services. 139 (3) PUBLIC-PRIVATE PARTNERSHIP GUIDELINES TASK FORCE.-140 (a) There is created the Partnership for Public Facilities 141 and Infrastructure Act Guidelines Task Force for the purpose of 142 recommending guidelines for the Legislature to consider for 143 purposes of creating a uniform process for establishing public-144 private partnerships, including the types of factors responsible 145 public entities should review and consider when processing requests for public-private partnership projects pursuant to 146 147 this section. (b) The task force shall be composed of seven members, as 148 149 follows: 150 1. The Secretary of Management Services or his or her 151 designee, who shall serve as chair of the task force. 152 2. Six members appointed by the Governor, as follows: 153 a. One county government official. 154 One municipal government official. b. 155 One district school board member. 156 d. Three representatives of the business community.

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157	(c) Task force members must be appointed by July 31, 2013.	
158	By August 31, 2013, the task force shall meet to establish	
159	procedures for the conduct of its business and to elect a vice	
160	chair. The task force shall meet at the call of the chair. A	
161	majority of the members of the task force constitutes a quorum,	
162	and a quorum is necessary for the purpose of voting on any	
163	action or recommendation of the task force. All meetings shall	
164	be held in Tallahassee, unless otherwise decided by the task	
165	force, and then no more than two such meetings may be held in	
166	other locations for the purpose of taking public testimony.	
167	Administrative and technical support shall be provided by the	
168	department. Task force members shall serve without compensation	
169	and are not entitled to reimbursement for per diem or travel	
170	expenses.	
171	(d) In reviewing public-private partnerships and	
172	developing recommendations, the task force must consider:	
173	1. Opportunities for competition through public notice and	
174	the availability of representatives of the responsible public	
175	entity to meet with private entities considering a proposal.	
176	2. Reasonable criteria for choosing among competing	
177	proposals.	
178	3. Suggested timelines for selecting proposals and	
179	negotiating an interim or comprehensive agreement.	
180	4. If an accelerated selection and review and	
181	documentation timelines should be considered for proposals	
182	involving a qualifying project that the responsible public	
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183 entity deems a priority.

5. Procedures for financial review and analysis which, at 184 185 a minimum, include a cost-benefit analysis, an assessment of 186 opportunity cost, and consideration of the results of all 187 studies and analyses related to the proposed qualifying project. 188 6. The adequacy of the information released when seeking 189 competing proposals and providing for the enhancement of that information, if deemed necessary, to encourage competition. 190 191 7. Current exemptions from public records and public 192 meetings requirements, if any changes to those exemptions are 193 necessary, or if any new exemptions should be created in order 194 to maintain the confidentiality of financial and proprietary 195 information received as part of an unsolicited proposal. 196 8. Recommendations regarding the authority of the 197 responsible public entity to engage the services of qualified 198 professionals, which may include a Florida-registered 199 professional or a certified public accountant, not otherwise 200 employed by the responsible public entity, to provide an 201 independent analysis regarding the specifics, advantages, 202 disadvantages, and long-term and short-term costs of a request 203 by a private entity for approval of a qualifying project, unless 204 the governing body of the public entity determines that such 205 analysis should be performed by employees of the public entity. 206 (c) The task force must submit a final report of its 207 recommendations to the Governor, the President of the Senate, 208 and the Speaker of the House of Representatives by July 1, 2014.

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209 (f) The task force is terminated December 31, 2014. The 210 establishment of guidelines pursuant to this section or the 211 adoption of such quidelines by a responsible public entity is 212 not required for such entity to request or receive proposals for 213 a qualifying project or to enter into a comprehensive agreement 214 for a qualifying project. A responsible public entity may adopt 215 guidelines so long as such guidelines are not inconsistent with 216 this section.

217 <u>(3) (4)</u> PROCUREMENT PROCEDURES.—A responsible public entity 218 may receive unsolicited proposals or may solicit proposals for 219 qualifying projects and may thereafter enter into <u>a</u> 220 <u>comprehensive</u> an agreement with a private entity, or a 221 consortium of private entities, for the building, upgrading, 222 operating, ownership, or financing of facilities.

(a)<u>1.</u> The responsible public entity may establish a
reasonable application fee for the submission of an unsolicited
proposal under this section.

226 <u>2. A private entity that submits an unsolicited proposal</u>
227 <u>to a responsible public entity must concurrently pay the initial</u>
228 <u>application fee, as determined by the responsible public entity.</u>
229 <u>Payment must be made by cash, cashier's check, or other</u>
230 <u>noncancelable instrument. Personal checks may not be accepted.</u>
231 3. If the initial application fee does not cover the

232 <u>responsible public entity's costs to evaluate the unsolicited</u> 233 <u>proposal, the responsible public entity must request in writing</u> 234 <u>the additional amounts required. The private entity must pay the</u>

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235 requested additional amounts within 30 days after receipt of the 236 notice. Failure to pay the additional fee may result in the 237 responsible public entity stopping its review of the unsolicited 238 proposal.

239 <u>4. If the responsible public entity does not evaluate the</u> 240 <u>unsolicited proposal, the responsible public entity must return</u> 241 <u>the application fee</u> The fee must be sufficient to pay the costs 242 of evaluating the proposal. The responsible public entity may 243 engage the services of a private consultant to assist in the 244 evaluation.

245 (b) The responsible public entity may request a proposal 246 from private entities for a qualifying public-private project or, if the responsible public entity receives an unsolicited 247 248 proposal for a qualifying public-private project and the 249 responsible public entity intends to enter into a comprehensive 250 agreement for the project described in the such unsolicited 251 proposal, the responsible public entity shall publish notice in 252 the Florida Administrative Register and a newspaper of general 253 circulation at least once a week for 2 weeks stating that the 254 responsible public entity has received a proposal and will 255 accept other proposals for the same project. The timeframe 256 within which the responsible public entity may accept other 257 proposals shall be determined by the responsible public entity 258 on a project-by-project basis based upon the complexity of the 259 qualifying project and the public benefit to be gained by 260 allowing a longer or shorter period of time within which other

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PCS for HB 63 ORIGINAL 2015 proposals may be received; however, the timeframe for allowing 261 262 other proposals must be at least 21 days, but no more than 120 263 days, after the initial date of publication. If approved by 264 majority vote of the responsible public entity's governing body, 265 the responsible public entity may alter the timeframe for 266 accepting proposals to more adequately suit the needs of the 267 qualifying project. A copy of the notice must be mailed to each 268 local government in the affected area. 269 (c) A responsible public entity that is a school board may 270 enter into a comprehensive agreement only with the approval of 271 the local governing body. 272 (c) (d) Before approving a comprehensive agreement approval, the responsible public entity must determine that the 273 274 proposed project: 275 Is in the public's best interest. 1. 276 Is for a facility that is owned by the responsible 2. 277 public entity or for a facility for which ownership will be

3. Has adequate safeguards in place to ensure that additional costs or service disruptions are not imposed on the public in the event of material default or cancellation of the <u>comprehensive</u> agreement by the responsible public entity.

4. Has adequate safeguards in place to ensure that the
responsible public entity or private entity has the opportunity
to add capacity to the proposed project or other facilities
serving similar predominantly public purposes.

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conveyed to the responsible public entity.

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5. Will be owned by the responsible public entity upon completion, expiration, or termination of the <u>comprehensive</u> agreement and upon payment of the amounts financed.

290 (d) (e) Before signing a comprehensive agreement, the 291 responsible public entity must consider a reasonable finance 292 plan that is consistent with subsection $(9) \frac{(11)}{(11)}$; the qualifying 293 project cost; revenues by source; available financing; major 294 assumptions; internal rate of return on private investments, if 295 governmental funds are assumed in order to deliver a cost-296 feasible project; and a total cash-flow analysis beginning with 297 the implementation of the project and extending for the term of 298 the comprehensive agreement.

299 (e) (f) In considering an unsolicited proposal, the 300 responsible public entity may require from the private entity a 301 technical study prepared by a nationally recognized expert with 302 experience in preparing analysis for bond rating agencies. In 303 evaluating the technical study, the responsible public entity 304 may rely upon internal staff reports prepared by personnel 305 familiar with the operation of similar facilities or the advice 306 of external advisors or consultants who have relevant 307 experience.

308 <u>(4) (5)</u> PROJECT APPROVAL REQUIREMENTS.—An unsolicited 309 proposal from a private entity for approval of a qualifying 310 project must be accompanied by the following material and 311 information, unless waived by the responsible public entity: 312 (a) A description of the qualifying project, including the

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313 conceptual design of the facilities or a conceptual plan for the 314 provision of services, and a schedule for the initiation and 315 completion of the qualifying project.

(b) A description of the method by which the private entity proposes to secure the necessary property interests that are required for the qualifying project.

(c) A description of the private entity's general plans for financing the qualifying project, including the sources of the private entity's funds and the identity of any dedicated revenue source or proposed debt or equity investment on behalf of the private entity.

324 (d) The name and address of a person who may be contacted325 for additional information concerning the proposal.

(e) The proposed user fees, lease payments, or other service payments over the term of a comprehensive agreement, and the methodology for and circumstances that would allow changes to the user fees, lease payments, and other service payments over time.

331 (f) Additional material or information that the332 responsible public entity reasonably requests.

Any pricing or financial terms included in an unsolicited proposal must be specific as to when the pricing or terms expire.
(5) (6) PROJECT QUALIFICATION AND PROCESS.-

- 338 (a) The private entity, or applicable party or parties of

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339 <u>the private entity's team</u>, must meet the minimum standards 340 contained in the responsible public entity's guidelines for 341 qualifying professional services and contracts for traditional 342 procurement projects.

343

(b) The responsible public entity must:

Ensure that provision is made for the private entity's 344 1. performance and payment of subcontractors, including, but not 345 346 limited to, surety bonds, letters of credit, parent company 347 guarantees, and lender and equity partner guarantees. For the components of the qualifying project which involve construction 348 349 performance and payment, bonds are required and are subject to 350 the recordation, notice, suit limitation, and other requirements of s. 255.05. 351

352 2. Ensure the most efficient pricing of the security
353 package that provides for the performance and payment of
354 subcontractors.

355 3. Ensure that provision is made for the transfer of the 356 private entity's obligations if the comprehensive agreement 357 <u>addresses termination upon</u> is terminated or a material default 358 of the comprehensive agreement occurs.

(c) After the public notification period has expired in
the case of an unsolicited proposal, the responsible public
entity shall rank the proposals received in order of preference.
In ranking the proposals, the responsible public entity may
consider factors that include, but are not limited to,
professional qualifications, general business terms, innovative

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365 design techniques or cost-reduction terms, and finance plans. 366 The responsible public entity may then begin negotiations for a 367 comprehensive agreement with the highest-ranked firm. If the 368 responsible public entity is not satisfied with the results of 369 the negotiations, the responsible public entity may terminate 370 negotiations with the proposer and negotiate with the second-371 ranked or subsequent-ranked firms, in the order consistent with 372 this procedure. If only one proposal is received, the 373 responsible public entity may negotiate in good faith, and if 374 the responsible public entity is not satisfied with the results 375 of the negotiations, the responsible public entity may terminate 376 negotiations with the proposer. Notwithstanding this paragraph, 377 the responsible public entity may reject all proposals at any 378 point in the process until a contract with the proposer is 379 executed.

(d) The responsible public entity shall perform an independent analysis of the proposed public-private partnership which demonstrates the cost-effectiveness and overall public benefit before the procurement process is initiated or before the contract is awarded.

(e) The responsible public entity may approve the development or operation of an educational facility, a transportation facility, a water or wastewater management facility or related infrastructure, a technology infrastructure or other public infrastructure, or a government facility needed by the responsible public entity as a qualifying project, or the

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391 design or equipping of a qualifying project that is developed or 392 operated, if:

393 1. There is a public need for or benefit derived from a 394 project of the type that the private entity proposes as the 395 qualifying project.

396 2. The estimated cost of the qualifying project is397 reasonable in relation to similar facilities.

398 3. The private entity's plans will result in the timely 399 acquisition, design, construction, improvement, renovation, 400 expansion, equipping, maintenance, or operation of the 401 qualifying project.

(f) The responsible public entity may charge a reasonable fee to cover the costs of processing, reviewing, and evaluating the request, including, but not limited to, reasonable attorney fees and fees for financial and technical advisors or consultants and for other necessary advisors or consultants.

407 (g) Upon approval of a qualifying project, the responsible
408 public entity shall establish a date for the commencement of
409 activities related to the qualifying project. The responsible
410 public entity may extend the commencement date.

(h) Approval of a qualifying project by the responsible
public entity is subject to entering into a comprehensive
agreement with the private entity.

414

(7) NOTICE TO AFFECTED LOCAL JURISDICTIONS.-

- 415 (a) The responsible public entity must notify each
- 416 affected local jurisdiction by furnishing a copy of the proposal

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417 to each affected local jurisdiction when considering a proposal 418 for a qualifying project. (b) Each affected local jurisdiction that is not a 419 420 responsible public entity for the respective qualifying project 421 may, within 60 days after receiving the notice, submit in 422 writing any comments to the responsible public entity and 423 indicate whether the facility is incompatible with the local 424 comprehensive plan, the local infrastructure development plan, 425 the capital improvements budget, any development of regional 426 impact processes or timelines, or other governmental spending 427 plan. The responsible public entity shall consider the comments 428 of the affected local jurisdiction before entering into a 429 comprehensive agreement with a private entity. If an affected 430 local jurisdiction fails to respond to the responsible public 431 entity within the time provided in this paragraph, the 432 nonresponse is deemed an acknowledgment by the affected local 433 jurisdiction that the qualifying project is compatible with the 434 local comprehensive plan, the local infrastructure development 435 plan, the capital improvements budget, or other governmental 436 spending plan. 437 (6) (8) INTERIM AGREEMENT.-Before or in connection with the

437 <u>(0)(0)</u> INTERIM AGREEMENT. Before of in connection with the 438 negotiation of a comprehensive agreement, the <u>responsible</u> public 439 entity may enter into an interim agreement with the private 440 entity proposing the development or operation of the qualifying 441 project. An interim agreement does not obligate the responsible 442 public entity to enter into a comprehensive agreement. The

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interim agreement is discretionary with the parties and is not required on a qualifying project for which the parties may proceed directly to a comprehensive agreement without the need for an interim agreement. An interim agreement must be limited to provisions that:

(a) Authorize the private entity to commence activities
for which it may be compensated related to the proposed
qualifying project, including, but not limited to, project
planning and development, design, environmental analysis and
mitigation, survey, other activities concerning any part of the
proposed qualifying project, and ascertaining the availability
of financing for the proposed facility or facilities.

(b) Establish the process and timing of the negotiation ofthe comprehensive agreement.

(c) Contain such other provisions related to an aspect of the development or operation of a qualifying project that the responsible public entity and the private entity deem appropriate.

461

(7) (9) COMPREHENSIVE AGREEMENT.-

(a) Before developing or operating the qualifying project,
the private entity must enter into a comprehensive agreement
with the responsible public entity. The comprehensive agreement
must provide for:

1. Delivery of performance and payment bonds, letters of
credit, or other security acceptable to the responsible public
entity in connection with the development or operation of the

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qualifying project in the form and amount satisfactory to the responsible public entity. For the components of the qualifying project which involve construction, the form and amount of the bonds must comply with s. 255.05.

2. Review of the design for the qualifying project by the responsible public entity and, if the design conforms to standards acceptable to the responsible public entity, the approval of the responsible public entity. This subparagraph does not require the private entity to complete the design of the qualifying project before the execution of the comprehensive agreement.

3. Inspection of the qualifying project by the responsible public entity to ensure that the private entity's activities are acceptable to the <u>responsible</u> public entity in accordance with the comprehensive agreement.

484 4. Maintenance of a policy of public liability insurance, 485 a copy of which must be filed with the responsible public entity 486 and accompanied by proofs of coverage, or self-insurance, each 487 in the form and amount satisfactory to the responsible public 488 entity and reasonably sufficient to ensure coverage of tort 489 liability to the public and employees and to enable the 490 continued operation of the qualifying project.

491 5. Monitoring by the responsible public entity of the
492 maintenance practices to be performed by the private entity to
493 ensure that the qualifying project is properly maintained.
494 6. Periodic filing by the private entity of the

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495 appropriate financial statements that pertain to the qualifying 496 project.

497 7. Procedures that govern the rights and responsibilities 498 of the responsible public entity and the private entity in the 499 course of the construction and operation of the qualifying 500 project and in the event of the termination of the comprehensive 501 agreement or a material default by the private entity. The 502 procedures must include conditions that govern the assumption of 503 the duties and responsibilities of the private entity by an 504 entity that funded, in whole or part, the qualifying project or 505 by the responsible public entity, and must provide for the 506 transfer or purchase of property or other interests of the 507 private entity by the responsible public entity.

508 8. Fees, lease payments, or service payments. In 509 negotiating user fees, the fees must be the same for persons 510 using the facility under like conditions and must not materially 511 discourage use of the qualifying project. The execution of the comprehensive agreement or a subsequent amendment is conclusive 512 513 evidence that the fees, lease payments, or service payments 514 provided for in the comprehensive agreement comply with this 515 section. Fees or lease payments established in the comprehensive 516 agreement as a source of revenue may be in addition to, or in 517 lieu of, service payments.

518 9. Duties of the private entity, including the terms and 519 conditions that the responsible public entity determines serve 520 the public purpose of this section.

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(b) The comprehensive agreement may include:

522 1. An agreement by the responsible public entity to make 523 grants or loans to the private entity from amounts received from 524 the federal, state, or local government or an agency or 525 instrumentality thereof.

526 2. A provision under which each entity agrees to provide 527 notice of default and cure rights for the benefit of the other 528 entity, including, but not limited to, a provision regarding 529 unavoidable delays.

3. A provision that terminates the authority and duties of the private entity under this section and dedicates the qualifying project to the responsible public entity or, if the qualifying project was initially dedicated by an affected local jurisdiction, to the affected local jurisdiction for public use.

535 <u>(8)(10)</u> FEES.—<u>A comprehensive</u> An agreement entered into 536 pursuant to this section may authorize the private entity to 537 impose fees to members of the public for the use of the 538 facility. The following provisions apply to the <u>comprehensive</u> 539 agreement:

(a) The responsible public entity may develop new
facilities or increase capacity in existing facilities through <u>a</u>
<u>comprehensive agreement with a private entity</u> agreements with
public-private partnerships.

(b) The <u>comprehensive</u> <u>public-private partnership</u> agreement
must ensure that the facility is properly operated, maintained,
or improved in accordance with standards set forth in the

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547 comprehensive agreement.

(c) The responsible public entity may lease existing feefor-use facilities through a <u>comprehensive</u> public-private partnership agreement.

(d) Any revenues must be <u>authorized by and applied in the</u>
<u>manner set forth in</u> regulated by the responsible public entity
pursuant to the comprehensive agreement.

(e) A negotiated portion of revenues from fee-generating
uses <u>may</u> must be returned to the <u>responsible</u> public entity over
the life of the comprehensive agreement.

557

(9)(11) FINANCING.-

(a) A private entity may enter into a private-source financing agreement between financing sources and the private entity. A financing agreement and any liens on the property or facility must be paid in full at the applicable closing that transfers ownership or operation of the facility to the responsible public entity at the conclusion of the term of the comprehensive agreement.

(b) The responsible public entity may lend funds to private entities that construct projects containing facilities that are approved under this section.

(c) The responsible public entity may use innovative finance techniques associated with a public-private partnership under this section, including, but not limited to, federal loans as provided in Titles 23 and 49 C.F.R., commercial bank loans, and hedges against inflation from commercial banks or other

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573 private sources. In addition, the responsible public entity may 574 provide its own capital or operating budget to support a 575 qualifying project. The budget may be from any legally 576 permissible funding sources of the responsible public entity, 577 including the proceeds of debt issuances. A responsible public 578 entity may use the model financing agreement provided in s. 579 489.145(6) for its financing of a facility owned by a 580 responsible public entity. A financing agreement may not require 581 the responsible public entity to indemnify the financing source, 582 subject the responsible public entity's facility to liens in 583 violation of s. 11.066(5), or secure financing of by the 584 responsible public entity by a mortgage on, or security interest 585 in, the real or tangible personal property of the responsible 586 public entity in a manner that could result in the loss of the 587 fee ownership of the property by the responsible public entity 588 with a pledge of security interest, and any such provision is 589 void.

590 (d) A responsible public entity shall appropriate on a 591 priority basis as required by the comprehensive agreement a 592 contractual payment obligation, annual or otherwise, from the 593 enterprise or other government fund from which the qualifying 594 projects will be funded. This required payment obligation must 595 be appropriated before other noncontractual obligations payable 596 from the same enterprise or other government fund. 597 (10) (12) POWERS AND DUTIES OF THE PRIVATE ENTITY.-598

The private entity shall: (a)

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599 1. Develop or operate the qualifying project in a manner 600 that is acceptable to the responsible public entity in 601 accordance with the provisions of the comprehensive agreement.

602 2. Maintain, or provide by contract for the maintenance or
603 improvement of, the qualifying project if required by the
604 comprehensive agreement.

605 3. Cooperate with the responsible public entity in making 606 best efforts to establish interconnection between the qualifying 607 project and any other facility or infrastructure as requested by 608 the responsible public entity in accordance with the provisions 609 of the comprehensive agreement.

610 4. Comply with the comprehensive agreement and any lease611 or service contract.

(b) Each private facility that is constructed pursuant to this section must comply with the requirements of federal, state, and local laws; state, regional, and local comprehensive plans; the responsible public entity's rules, procedures, and standards for facilities; and such other conditions that the responsible public entity determines to be in the public's best interest and that are included in the comprehensive agreement.

(c) The responsible public entity may provide services to
the private entity. An agreement for maintenance and other
services entered into pursuant to this section must provide for
full reimbursement for services rendered for qualifying
projects.

624

(d) A private entity of a qualifying project may provide

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additional services for the qualifying project to the public or to other private entities if the provision of additional services does not impair the private entity's ability to meet its commitments to the responsible public entity pursuant to the comprehensive agreement.

630 (11) (13) EXPIRATION OR TERMINATION OF AGREEMENTS.-Upon the expiration or termination of a comprehensive agreement, the 631 632 responsible public entity may use revenues from the qualifying 633 project to pay current operation and maintenance costs of the 634 qualifying project. If the private entity materially defaults 635 under the comprehensive agreement, the compensation that is 636 otherwise due to the private entity is payable to satisfy all 637 financial obligations to investors and lenders on the qualifying 638 project in the same way that is provided in the comprehensive agreement or any other agreement involving the qualifying 639 640 project, if the costs of operating and maintaining the qualifying project are paid in the normal course. Revenues in 641 642 excess of the costs for operation and maintenance costs may be 643 paid to the investors and lenders to satisfy payment obligations 644 under their respective agreements. A responsible public entity 645 may terminate with cause and without prejudice a comprehensive 646 agreement and may exercise any other rights or remedies that may 647 be available to it in accordance with the provisions of the 648 comprehensive agreement. The full faith and credit of the 649 responsible public entity may not be pledged to secure the 650 financing of the private entity. The assumption of the

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development or operation of the qualifying project does not obligate the responsible public entity to pay any obligation of the private entity from sources other than revenues from the qualifying project unless stated otherwise in the comprehensive agreement.

656 (12) (14) SOVEREIGN IMMUNITY.-This section does not waive 657 the sovereign immunity of a responsible public entity, an 658 affected local jurisdiction, or an officer or employee thereof 659 with respect to participation in, or approval of, any part of a 660 qualifying project or its operation, including, but not limited 661 to, interconnection of the qualifying project with any other 662 infrastructure or project. A county or municipality in which a 663 qualifying project is located possesses sovereign immunity with 664 respect to the project, including, but not limited to, its 665 design, construction, and operation.

666

(13) DEPARTMENT OF MANAGEMENT SERVICES.-

(a) A responsible public entity may provide a copy of its
comprehensive agreement to the Department of Management
Services. A responsible public entity must redact any
confidential or exempt information from the copy of the
comprehensive agreement prior to providing it to the Department
of Management Services.
(b) The Department of Management Services may accept and

674 <u>maintain copies of comprehensive agreements received from</u>

675 responsible public entities for the purpose of sharing

676 <u>comprehensive agreements with other responsible public entities.</u>

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677	(c) Nothing in this subsection requires a responsible
678	public entity to provide a copy of its comprehensive agreement
679	to the Department of Management Services.
680	(14) (15) CONSTRUCTION
681	(a) This section shall be liberally construed to
682	effectuate the purposes of this section.
683	(b) This section shall be construed as cumulative and
684	supplemental to any other authority or power vested in or
685	exercised by the governing <u>body</u> board of a county, <u>municipality</u> ,
686	special district, or municipal hospital or health care system
687	including those contained in acts of the Legislature
688	establishing such public hospital boards or s. 155.40.
689	(c) This section does not affect any agreement or existing
690	relationship with a supporting organization involving such
691	governing <u>body</u> board or system in effect as of January 1, 2013.
692	(d) (a) This section provides an alternative method and
693	does not limit a <u>county, municipality, special district, or</u>
694	other political subdivision of the state in the procurement or
695	operation of a qualifying project acquisition, design, or
696	construction of a public project pursuant to other statutory <u>or</u>
697	constitutional authority.
698	<u>(e) (b)</u> Except as otherwise provided in this section, this
699	section does not amend existing laws by granting additional
700	powers to, or further restricting, a local governmental entity
701	from regulating and entering into cooperative arrangements with
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702 the private sector for the planning, construction, or operation 703 of a facility.

704 <u>(f)(c)</u> This section does not waive any requirement of s.
705 287.055.

706

Section 2. This act shall take effect July 1, 2015.

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