



CUA-PP-07: SPECIAL DISTRICT REAUTHORIZATION

COMMITTEE RECOMMENDATION: ADOPT

PROPOSED POLICY: SUPPORT legislation reauthorizing certain independent special districts, including those special districts located within fiscally-constrained counties, that were impacted by the enactment of Chapter 2022-266, Laws of Florida (also referred to as SB 4-C), during the 2022 Special Session C.

BACKGROUND: During the 2022 Special Session C, the Legislature passed SB 4-C, which the Governor signed into law and became Chapter 2022-266, Laws of Florida. While primarily directed at dissolving Disney's Reddy Creek Development District, the Act also impacted other special districts that were established by a special act prior to the ratification of the Florida Constitution on November 5, 1968, if such special districts have not been reestablished, re-ratified, or otherwise reconstituted by special act or general law after such date. Senate staff, in the bill's staff analysis identified several special districts in addition to the Reedy Creek Development District that would be impacted by the Act's passage including:

- Bradford County Development Authority (Bradford County)
- Sunshine Water Control District (Broward County)
- Eastpoint Water and Sewer District (Franklin County)
- Hamilton County development Authority (Hamilton County)
- Marion County Law Library (Marion County)

Additional research conducted by FAC staff, identified two other districts that could be impacted by Chapter 2022-266, Laws of Florida, including the Ocala Downtown Development District (Marion County) and the Taylor County Development Authority (Taylor County). All the impacted special districts will be dissolved effective June 1, 2023.

ANALYSIS: The Act allows an independent special district dissolved effective June 1, 2023, to be re-established on or after June 1, 2023, pursuant to the requirements and limitations of Ch. 189 F.S. Four of the above-referenced special districts are located in a fiscally-constrained county including the Bradford County Development Authority; Eastpoint Water and Sewer District; Hamilton County Development Authority; and the Taylor County Development Authority.

FISCAL IMPACT: Indeterminate.

FAC STAFF NOTES:

- FAC 2022 Policy Conference
 - CUA-PP-07 was recommended for adoption by the committee.
 - Previously, this proposal was CUA-PP-11 Special District Reauthorization.

- Relevant Statutes: Part II of Chapter 189, Florida Statutes *Definitions* (sections 189.012, F.S. and section 189.02) and Part III of Chapter 189 Independent Special Districts
 - [s. 189.012\(6\), F.S.](#), *Definitions*. A “special district” is a unit of local government created for a special purpose, as opposed to a general purpose, which has jurisdiction to operate within a limited geographic boundary. Special districts provide specific municipal services in addition to, or in place of, those provided by a municipality or county.
 - See [s. 189.031\(3\), F.S.](#), [s.189.02\(1\), F.S.](#), and [s. 190.005, F.S.](#) Common types of special districts in Florida include community development districts, drainage and water control districts, fire control districts, and community redevelopment districts. Many of these entities perform a single function, but, in some instances, their enabling legislation allows them to provide several, usually related, types of services. Special districts are created by general law, special act, local ordinance, or by rule of the Governor and Cabinet. See generally, s. 189.012(6), F.S.
 - A special district has only those powers expressly provided by, or reasonably implied from, the authority provided in the district’s charter. Special districts are funded through the imposition of ad valorem taxes, fees, or charges on the users of those services as authorized by law. Like all powers a special district is provided, the method of financing a district must be stated in its charter. According to the Department of Economic Opportunity, there are 1,844 special districts in the state, in which 1,228 are independent special districts and 616 are dependent districts.
 - [s. 189.01, F.S.](#) *Uniform Special District Accountability Act*. Special districts are governed generally by the Uniform Special District Accountability Act (USDAA). The USDAA, initially passed in 1989, created Chapter 189, F.S., to centralize provisions governing special districts.
 - [Chapter 189, F.S.](#), *Uniform Special District Accountability Act*, applies to the formation (s. 189.02, F.S., and 189.031, F.S.), governance (s. 189.0311, F.S.), administration (s. 189.019, F.S.), supervision (s.189.034, F.S.), merger (s. 189.071, F.S., and 189.074, F.S.), and dissolution (s. 189.071, F.S., and 189.072, F.S.) of special districts, unless otherwise expressly provided in law. See s. 190.004, F.S. The USDAA also provides an extensive statement of legislative intent aiming to improve accountability of special districts to state and local governments and providing for more effective communication and coordination in the monitoring of required reporting. See s. 189.06, F.S.
 - [Chapter 189, F.S.](#), *Uniform Special District Accountability Act*. Establishes criteria defining whether a special district is a “dependent special district” or an “independent special district.” As a general rule, dependent special districts are created at the prerogative of the counties and municipalities and independent special districts are created only as authorized by the Legislature.
 - [s. 189.012\(2\), F.S.](#), *Definitions*. A “dependent special district” is a special district where the membership of the governing body is identical to the governing body of a single county or municipality, all members of the governing body are appointed

by the governing body of a single county or municipality, members of the district's governing body are removable at will by the governing body of a single county or municipality, or the district's budget is subject to the approval of governing body of a single county or municipality. A county is authorized to create, by ordinance, a dependent special district within the county, subject to the approval of the governing body of the incorporated area affected. See [s. 189.02\(2\), F.S.](#)

- [s. 189.02\(3\), F.S.](#) *Dependent Special Districts*. Municipalities also are authorized to create, by ordinance, a dependent special district within the municipality. Additionally, the Legislature may create a dependent special district by special act at the request or with the consent of the local government upon which the special district will be dependent. See s. 189.02(5), F.S.
- [s. 189.012\(3\), F.S.](#) *Definitions*. An “independent special district” is any special district that does not meet the definition of “dependent special district.” Furthermore, any special district that includes territory in more than one county is an independent special district, unless the district lies entirely within the borders of a single municipality. Generally, independent special districts are created by the Legislature through a special act or general law of local application, and must comply with all other criteria mandated by the Florida Constitution, and the charter for any new independent special district must include the minimum elements required by Chapter 189, F.S. See s. 189.031(1), F.S.; See also, s. 189.031(3), F.S. (which lists the minimum charter requirements for an independent special district).
- Florida law authorizes the creation of certain types of independent special districts without specific action by the Legislature. For instance, the Governor and Cabinet, a municipality or county, or a regional combination of cities and counties may initiate the creation of certain special districts in compliance with statutory requirements.
- 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.
- [Ch. 97-255, L.O.F.](#) In 1997, the Legislature passed a comprehensive series of reforms relating to local government oversight that included a provision requiring each special district to codify its special acts into a single act for reenactment by the Legislature no later than December 1, 2001.; See also s. 189.019, F.S. Subsequent legislation extended the deadline for codification to December 1, 2004, and stated the Legislature may adopt a schedule for individual districts to codify their acts. See [Chapter 98-320, Laws of Florida](#).
- [s. 189.072\(1\), F.S.](#) *Dissolution of an independent special district*. An independent special district may be dissolved voluntarily, by the district governing body, or involuntarily by the entity creating the independent special district, such as the Legislature or a county or municipality. See s. 189.072, F.S. If the governing body of an independent special district created and operating pursuant to a special act elects, by a majority vote plus one, to



dissolve the district, the voluntary dissolution of an independent special district may be effectuated only by the Legislature unless otherwise provided by general law.

- [s. 189.072\(2\), F.S.](#) *Dissolution of an independent special district.* In order for the Legislature to dissolve an active independent special district created and operating pursuant to a special act, the special act dissolving the independent special district must be approved by a majority of the resident electors of the district or, for districts in which a majority of governing body members are elected by landowners, a majority of the landowners voting in the same manner the independent special district's governing body is elected.
- [s. 189.072\(2\)\(b\), F.S.](#) *Dissolution of an independent special district.* If an independent special district was created by a county or municipality via referendum or other procedure, the county or municipality that created the district may dissolve the district pursuant to the same procedure by which the independent special district was created. However, if the independent special district has ad valorem taxation powers, the same procedure required to grant the independent special district ad valorem taxation powers is required to dissolve the district.
- [s. 189.076\(2\), F.S.](#) *Financial allocations.* Unless otherwise provided by law or ordinance, when there is dissolution of a special district government, the special district transfers the title to all property owned by the preexisting special district to the local general-purpose government, either a county or municipality, which shall also assume all indebtedness of the preexisting special district.

SUBMITTING COUNTY AND CONTACT: Franklin and Bradford – Ricky Jones and Chris Dougherty

ASSIGNED COMMITTEE: CUA

BOARD SUPPORT: N/A

UNFUNDED MANDATE: No

PROTECTIVE OF HOME RULE: Yes