

CHAPTER 2023-1

Senate Bill No. 2-B

An act relating to emergency response; creating s. 288.066, F.S.; creating the Local Government Emergency Bridge Loan Program within the Department of Economic Opportunity, subject to appropriation; providing the program's purpose; specifying program eligibility requirements; authorizing the department to provide interest-free loans to eligible local governments through specified means; requiring the loan amount to be based on demonstrated need of the local government and disbursed in a lump sum; providing for the terms of the loan; authorizing the department to extend the term of the loan; specifying authorized and prohibited uses of any loan funds provided under the program; authorizing local governments to make loan payments at any time; requiring repayment in accordance with the terms of the loan; authorizing the department to approve loans through the end of the 2023-2024 fiscal year, subject to the availability of funds; requiring the department to coordinate with the Division of Emergency Management to determine if the loan program conflicts with applicable federal programs; requiring the department to transfer any loan payments, upon receipt, to the General Revenue Fund; authorizing the department to adopt rules; providing for expiration of the program; authorizing the department to adopt emergency rules; providing appropriations; providing an effective date.

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

Section 1. Section 288.066, Florida Statutes, is created to read:

288.066 Local Government Emergency Bridge Loan Program.—

(1) CREATION.—The Local Government Emergency Bridge Loan Program is created, subject to appropriation, within the department to provide financial assistance to local governments impacted by Hurricane Ian or Hurricane Nicole. The purpose of the loan program is to assist these local governments in maintaining operations by bridging the gap between the time that the declared disaster occurred and the time that additional funding sources or revenues are secured to provide them with financial assistance.

(2) ELIGIBILITY.—To be eligible for a loan under the program, a local government must be a county or a municipality located in an area designated in the Federal Emergency Management Agency disaster declarations for Hurricane Ian or Hurricane Nicole. The local government must show that it may suffer or has suffered substantial loss of its tax or other revenues as a result of the hurricane and demonstrate a need for financial assistance to enable it to continue to perform its governmental operations.

(3) LOAN TERMS.—

(a) The department may provide interest-free loans to eligible local governments through a promissory note or other form of written agreement evidencing an obligation to repay the borrowed funds.

(b) The amount of each loan must be based upon demonstrated need and must be disbursed to the local government in a lump sum.

(c) The term of the loan is one year, unless otherwise extended by the department. The department may extend loan terms for up to 6 months based on the local government's financial condition.

(4) USE OF LOAN FUNDS.—A local government may use loan funds only to continue local governmental operations or to expand or modify such operations to meet disaster-related needs. The funds may not be used to finance or supplant funding for capital improvements or to repair or restore damaged public facilities or infrastructure.

(5) LOAN REPAYMENT.—

(a) The local government may make payments against the loan at any time without penalty. Early repayment is encouraged as other funding sources or revenues become available.

(b) Loans become due and payable in accordance with the terms of the agreement.

(6) ADMINISTRATION.—

(a) The department may approve loans in the 2022-2023 fiscal year or the 2023-2024 fiscal year up to the total amount appropriated.

(b) The department must coordinate with the Division of Emergency Management to assess whether such loans would affect reimbursement under federal programs for disaster-related expenses.

(c) Upon receipt of any loan payment from a local government, the department shall transfer the funds to the General Revenue Fund.

(7) RULES.—The department may adopt rules to implement this section.

(8) EXPIRATION.—This section expires June 30, 2027. Upon expiration, all unencumbered funds and loan repayments revert to the General Revenue Fund.

Section 2. The Department of Economic Opportunity may, and all conditions are deemed to be met to, adopt emergency rules pursuant to s. 120.54(4), Florida Statutes, to administer s. 288.066, Florida Statutes, as created by this act. Notwithstanding any other law, emergency rules adopted pursuant to this section are effective for 6 months after adoption

and may be renewed during the pendency of procedures to adopt permanent rules addressing the subject of the emergency rules.

Section 3. For the 2022-2023 fiscal year, the sum of \$50 million in nonrecurring funds is appropriated from the General Revenue Fund to the Department of Economic Opportunity to fund the Local Government Emergency Bridge Loan Program established by this act. Any unexpended balance of these funds as of June 30, 2023, must revert and is appropriated for the 2023-2024 fiscal year to the Department of Economic Opportunity for the same purpose.

Section 4. The Chief Financial Officer shall immediately transfer the nonrecurring sum of \$650 million from the General Revenue Fund to the Emergency Preparedness and Response Fund in the Executive Office of the Governor to be used for preparing for and responding to a declared state of emergency.

Section 5. This act shall take effect upon becoming a law.

Approved by the Governor February 15, 2023.

Filed in Office Secretary of State February 15, 2023.