

CHAPTER 2026-216

Committee Substitute for House Bill No. 4071

An act relating to Palm Beach County; providing that a municipal service taxing unit whose primary purpose is to provide fire rescue and emergency medical services to residents in unincorporated areas of the county remains the service provider for a specified length of time to real properties that are annexed into a municipality; providing that the geographical boundaries of the municipal service taxing unit shall contract following the annexation under certain circumstances; prohibiting Palm Beach County from levying ad valorem taxes through the municipal service taxing unit on annexed real properties following the annexation; requiring the annexing municipality to pay the county an annual service price for up to a specified length of time; providing that the county, through the municipal service taxing unit, remains the authority having jurisdiction and may continue to collect certain fees from annexed real properties; providing for transfer of services to the annexing municipality and the cessation of the county jurisdiction to collect fees; providing circumstances under which such transfer and cessation may not occur; requiring good faith discussions and negotiations between the annexing municipality and the county regarding the transition of services and the expenditure of assets for capital and operational purposes in the areas proposed to be annexed; authorizing the annexing municipality and the county to enter into an agreement on the length of time for the provision of county services, the retention of county jurisdiction regarding fees, and the annual service price payments under certain circumstances; providing a conflict resolution procedure in the event an annexing municipality and the county do not enter an interlocal agreement; providing applicability; providing an effective date.

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

Section 1. To ensure a smooth transition of services and to avoid fiscal constraints that could occur in a municipal service taxing unit the primary purpose of which is to provide fire rescue and emergency medical services when tax revenue-generating real properties are annexed into a municipality and out of the aforesaid municipal service taxing unit, the following procedures shall be imposed on the real property being annexed:

(1) The municipal service taxing unit whose primary purpose is to provide fire rescue and emergency medical services shall remain the fire rescue and emergency medical services provider for a period of six years to real property annexed after January 1, 2027, notwithstanding s. 125.01, Florida Statutes, or any other general law, special act, municipal charter, or ordinance of a local government to the contrary.

(2) Following the annexation by a municipality that does not have a charter provision, an ordinance, or an interlocal agreement with Palm Beach

County that includes the entirety of the municipality within the Palm Beach County municipal service taxing unit whose primary purpose is to provide fire rescue and emergency medical services, the geographical boundaries of the municipal service taxing unit shall contract to exclude the annexed real property, and Palm Beach County may not levy ad valorem taxes through the municipal service taxing unit on the annexed real property.

(3) Annually, such annexing municipality shall pay Palm Beach County, for the benefit of the municipal service taxing unit, a service price for a period of not more than six years which shall be the actual cost of the service provided.

(4) Palm Beach County, through the municipal service taxing unit, remains the authority having jurisdiction and may continue to collect the same fire rescue impact fees from the annexed real property that were collected prior to the annexation.

(5) The transfer of all fire rescue and emergency medical services to the annexing municipality, the cessation of annual service price payments, and the cessation of county jurisdiction to collect fire rescue impact fees relative to the annexed real property shall automatically occur at the conclusion of the six-year term unless:

(a) The annexing municipality advises the county that it will not provide such services;

(b) The county and the annexing municipality enter into an interlocal agreement providing for fire rescue and emergency medical services in the annexed area; or

(c) The data from the analysis established by the good faith negotiations required by subsection (6) demonstrates that the transfer for fire rescue and emergency medical services to the annexing municipality should occur prior to the six-year term or the six-year term may be extended through an interlocal agreement approved by the Palm Beach County Board of County Commissioners and the applicable annexing municipality.

(6) In conjunction with the annexation process, the annexing municipality and the county shall enter into good faith negotiations and discussions regarding the time period for transitioning fire rescue and emergency medical services, as well as the expenditure of assets for capital and operational purposes by both the county and the annexing municipality in the annexed areas.

(a) The purpose of such negotiations and discussions is to ensure that the residents of the annexed areas enjoy appropriate levels of service without the inefficient expenditure of both county and municipal assets by preventing duplicative and unnecessary expenditures and duplicative collection of fire rescue impact fees. Through a written agreement approved by the Palm Beach County Board of County Commissioners and the applicable annexing

municipality, based upon the required good faith negotiations and discussions, and if supported by data and analysis that are substantiated by the county and the annexing municipality and that establish a measurable, objective benefit to the public for a different transition period, Palm Beach County and the annexing municipality may agree to shorten or lengthen the six-year term for the provision of county services, the retention of county jurisdiction regarding fire rescue impact fees, and the making of annual service price payments.

(b) In order to determine whether to shorten or extend the six-year term, the county and annexing municipality shall rely on the following data related to cost and levels of services:

1. Both the county and municipality shall calculate the cost based upon the actual operational and capital expenses necessary to provide the annexed area with at least the same level of service as the level of service provided prior to the annexation.

2. The Palm Beach County Board of County Commissioners and the applicable annexing municipality shall enter into good faith negotiations and discussions to establish mutually agreed-upon level of service, communications plans, and data validation based upon objective total response time data, depth of service, fire suppression outcomes, and ability to achieve proper staffing levels for a first alarm fire for the area being annexed.

(c) The transfer of fire rescue and emergency medical services to the annexing municipality shall occur unless the mutually agreed-upon data does not demonstrate that fire rescue and emergency medical services in the annexed area can be provided by the annexing municipality at the same cost and at least at the same level of service regardless of the six-year term. If the data demonstrates that fire rescue and emergency medical services can be provided at the same cost while maintaining at least the same level of service as the level of service prior to the expiration of the six-year term, the services shall transition at that time.

(7) If the Palm Beach County Board of County Commissioners and applicable annexing municipality are unable to enter into an interlocal agreement pursuant to subsection (6), either the Palm Beach County Board of County Commissioners or the annexing municipality shall initiate and proceed through the conflict resolution procedures established in Chapter 164, Florida Statutes. If there is a failure to resolve the conflict, no later than 120 days following conclusion of the procedures established in Chapter 164, Florida Statutes, either local government may file an action in circuit court. For the purposes of this subsection, the term "local government" means the Palm Beach County Board of County Commissioners or the annexing municipality.

(8) The provisions of this act, including the six-year service period and the mandatory service price payments, shall not apply to any real property

being annexed that constitutes an enclave, as defined in s. 171.031(5)(a), Florida Statutes, of 10 acres or less.

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

Approved by the Governor June 10, 2026.

Filed in Office Secretary of State June 10, 2026.