

By Senator Williams

4-735-98

See HB

1 A bill to be entitled
2 An act relating to air carriers; directing the
3 Department of Management Services to evaluate
4 the state contract for air carrier service for
5 state employees, undertake a pilot program, and
6 evaluate the pilot program; amending s. 212.08,
7 F.S.; revising the application of the exemption
8 from the tax on sales, use, and other
9 transactions for labor charges for the
10 maintenance and repair of certain aircraft;
11 providing an exemption for replacement engines,
12 parts, and equipment used in the repair or
13 maintenance of certain aircraft; amending s.
14 332.007, F.S., which provides for the
15 administration and financing of airport
16 projects; providing that a portion of the
17 assistance provided by the Department of
18 Transportation may be used to improve scheduled
19 airline service; providing that projects to
20 improve scheduled air service to and from the
21 state capital shall be deemed to be of
22 statewide importance under said section;
23 providing an effective date.

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25 WHEREAS, it is in the best interest of Florida to
26 attract and retain quality affordable air carrier service for
27 its citizens, and

28 WHEREAS, dependable and affordable air service is an
29 important factor in stimulating economic development and
30 promoting efficient and accountable government service, and

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1 WHEREAS, citizens require affordable and efficient
2 access to state government and elected officials in the state
3 capital to promote an open democracy, and

4 WHEREAS, safe and affordable air travel from the state
5 capital to all parts of Florida is necessary to ensure the
6 continued operation of state programs, and

7 WHEREAS, incentives need to be identified to attract
8 and retain quality air service to the state capital from all
9 major airports in Florida to meet the needs of government and
10 industry, and

11 WHEREAS, the Legislature recognizes the need to provide
12 support to air carriers that provide this valuable service,
13 NOW, THEREFORE,

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

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17 Section 1. State air carrier contract.--Pursuant to
18 section 287.042, Florida Statutes, the Department of
19 Management Services shall analyze and evaluate the state
20 contract for air carrier service for state employees to
21 determine how to improve the quality, availability, and cost
22 of air service to state employees and other citizens. The
23 department shall undertake a pilot program based on this
24 analysis that shall include, but is not limited to, the
25 suspension of any such contract and the provision of any
26 incentives necessary to attract qualified air carriers flying
27 within Florida to the state capital. In implementing this
28 pilot program, the department shall take into consideration
29 the provisions of section 112.061(7)(a)2., Florida Statutes.
30 The department shall evaluate the impact of this pilot program
31 on increased scheduled service, costs, fare structures, and

1 expanded jet service to and from the state capital, and be
2 prepared to report annually to the Speaker of the House of
3 Representatives and the President of the Senate.

4 Section 2. Paragraph (ff) of subsection (7) of section
5 212.08, Florida Statutes, is amended, and paragraph (qq) is
6 added to said subsection, to read:

7 212.08 Sales, rental, use, consumption, distribution,
8 and storage tax; specified exemptions.--The sale at retail,
9 the rental, the use, the consumption, the distribution, and
10 the storage to be used or consumed in this state of the
11 following are hereby specifically exempt from the tax imposed
12 by this chapter.

13 (7) MISCELLANEOUS EXEMPTIONS.--

14 (ff) Aircraft repair and maintenance labor
15 charges.--There shall be exempt from the tax imposed by this
16 chapter all labor charges for the repair and maintenance of
17 aircraft of more than 15,000 ~~20,000~~ pounds maximum certified
18 takeoff weight. Except as otherwise provided in this chapter,
19 charges for parts and equipment furnished in connection with
20 such labor charges are taxable.

21 (qq) Equipment used in aircraft repair and
22 maintenance.--There shall be exempt from the tax imposed by
23 this chapter replacement engines, parts, and equipment used in
24 the repair or maintenance of aircraft of more than 15,000
25 pounds maximum certified takeoff weight, when such parts or
26 equipment are installed on such aircraft that is being
27 repaired or maintained in this state.

28 Section 3. Subsection (3), paragraph (a) of subsection
29 (4), and paragraph (d) of subsection (6) of section 332.007,
30 Florida Statutes, are amended to read:

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1 332.007 Administration and financing of aviation and
2 airport programs and projects; state plan.--

3 (3) Assistance pursuant to the provisions of this
4 section shall ~~only~~ be provided for projects which are included
5 in the department's adopted work program developed pursuant to
6 s. 339.135 and, notwithstanding any other provision of this
7 section, up to 20 percent of the assistance provided by the
8 department for each airport's work program budget may be used
9 to improve scheduled airline service to and from that airport.
10 Requests for such expenditures must be submitted to the
11 department as part of the airport's annual work plan.

12 (4)(a) The annual legislative budget request for
13 aviation and airport development projects shall be based on
14 the funding required for development projects in the aviation
15 and airport work program. The department shall provide
16 priority funding in support of the planning, design, and
17 construction of proposed projects by local sponsors, with
18 special emphasis on projects for runways and taxiways,
19 including the painting and marking of runways and taxiways,
20 lighting, other related airside activities, ~~and~~ airport access
21 transportation facility projects on airport property, and
22 projects to improve scheduled service.

23 (6) Subject to the availability of appropriated funds,
24 the department may participate in the capital cost of eligible
25 public airport and aviation development projects in accordance
26 with the following rates, unless otherwise provided in the
27 General Appropriations Act or the substantive bill
28 implementing the General Appropriations Act:

29 (d) The department is authorized to fund up to 100
30 percent of the cost of an eligible project that is statewide
31 in scope or that involves more than one county where no other

1 governmental entity or appropriate jurisdiction exists.
2 Projects that are designed to improve scheduled air service to
3 and from the state capital to increase access by citizens to
4 state government shall be deemed to be of statewide
5 importance.

6 Section 4. This act shall take effect July 1 of the
7 year in which enacted.

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HOUSE SUMMARY

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12 Directs the Department of Management Services to evaluate
13 the state contract for air carrier service for state
14 employees, undertake a pilot program based on its
15 analysis, and evaluate the pilot program.

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17 Revises the application of the sales tax exemption for
18 labor charges for maintenance and repair of certain
19 aircraft, and provides an exemption for replacement
20 engines, parts, and equipment used in the repair or
21 maintenance of certain aircraft.

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23 Revises provisions which provide for the administration
24 and financing of airport projects, to provide that a
25 portion of the assistance provided by the Department of
26 Transportation may be used to improve scheduled airline
27 service, and that projects to improve scheduled air
28 service to and from the state capital shall be deemed to
29 be of statewide importance.

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