

By Representatives Turnbull and King

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

1 service to and from the state capital, and be prepared to  
2 report annually to the Speaker of the House of Representatives  
3 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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