

STORAGE NAME: h1021s1a.ted

DATE: April 16, 1999

**HOUSE OF REPRESENTATIVES
AS FURTHER REVISED BY THE COMMITTEE ON
TRANSPORTATION & ECONOMIC DEVELOPMENT APPROPRIATIONS
ANALYSIS**

BILL #: CS/HB 1021

RELATING TO: Small County Road Assistance Program

SPONSOR(S): Committee on Transportation, Reps. Spratt, K. Smith, Boyd and others

COMPANION BILL(S): CS/SB 1354 (s)

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) TRANSPORTATION (EDC) YEAS 10 NAYS 0
 - (2) COMMUNITY AFFAIRS (PRC) YEAS 9 NAYS 0
 - (3) TRANSPORTATION & ECONOMIC DEVELOPMENT APPROPRIATIONS YEAS 8 NAYS 0
 - (4)
 - (5)
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I. SUMMARY:

This committee substitute creates the Small County Road Assistance Program within the Department of Transportation (DOT) to assist small counties (1990 population of 75,000 or less) in resurfacing or reconstructing county roads.

The committee substitute provides that from fiscal year 1999-2000 until fiscal year 2009-2010, up to \$25 million from the State Transportation Trust Fund (STTF) may be used annually to fund the Small County Road Assistance Program.

II. SUBSTANTIVE ANALYSIS:

A. PRESENT SITUATION:

Section 335.01, F.S., provides that all roads which are open and available for use by the public and dedicated to the public use are established as public roads. Public roads are divided into four systems: a) the State Highway System; b) the State Park Road System; c) the county road system, and; d) the city street system. Currently, s. 335.0415, F.S., provides that the jurisdiction of public roads and the responsibility for operation and maintenance of any road within the state, county, and city systems is that which existed on July 1, 1995. Public roads may be transferred between jurisdictions only by mutual agreement of the affected governmental entities.

Prior to July 1, 1995, roads were transferred between the state, county and city systems based on s. 334.04, F.S. (1993). Under this now repealed section, DOT had the responsibility of data collection for planning and functional classification purposes; and evaluated and functionally classified all the public roads in the state. Each road was assigned to an appropriate public road system based on the road's functional classification. Some rural counties have indicated that they currently have jurisdiction over county roads that were previously state roads, but lack an adequate tax base to properly maintain these roads.

B. EFFECT OF PROPOSED CHANGES:

The committee substitute creates the Small County Road Assistance Program within DOT. The program will assist small counties in resurfacing or reconstructing county roads. For the purposes of the committee substitute, "small county" means any county which had a population of 75,000 or less in the 1990 federal census. There are 33 counties which meet this population requirement. Small counties would compete for Small County Road Assistance Program funds to resurface or reconstruct county roads. Any road classified as a county road as of June 10, 1995, would be eligible for the program. Projects which add capacity to a county road, such as adding lanes, would not be eligible for program funding.

To determine a county's eligibility to participate in this program, DOT will consider the local level of effort in maintaining county roads, including the amount of local option gas tax and the ad valorem millage rate imposed by the county. DOT may also consider a county's offer to match program funds with local funds. At a minimum, a county must have either a local option gas tax rate of 6 cents per gallon and an ad valorem rate of 8 mills, or an ad valorem rate of 10 mills to be eligible for the program. There are 25 counties which currently meet at least one of these minimum levels of effort: Baker, Bradford, Calhoun, Columbia, DeSoto, Dixie, Gadsden, Gilchrist, Glades, Hardee, Henry, Highlands, Jackson, Jefferson, Lafayette, Levy, Liberty, Madison, Okeechobee, Putnam, Sumter, Suwannee, Union, Wakulla, and Washington. Eight other small counties (Flagler, Franklin, Gulf, Hamilton, Holmes, Nassau, Taylor, and Walton) would have to increase either local option fuel tax rates or ad valorem millage rates to become eligible for the program.

The committee substitute sets up a two tier process for prioritizing road projects for funding under the program. The primary criteria used to rank projects would be the physical condition of the road. This will ensure that the county roads in the worst condition will be addressed first. As secondary criteria to rank roads for funding DOT would consider whether a road:

- ▶ Is used as an evacuation route;
- ▶ Has a high level of agricultural travel;
- ▶ Is considered a major arterial route;
- ▶ Is considered feeder road, or;
- ▶ Has an impact on the public road system, or on the state or local economy.

To fund the program, the committee substitute provides that from fiscal year 1999-2000 until fiscal year 2009-2010, up to \$25 million from the STTF may be used annually to fund the Small County Road Assistance Program. If a county road project is selected for program funding, DOT would include the project in its 5-year work program and is authorized to administer the resurfacing or reconstruction contract on behalf of the county. Finally, the committee substitute also amends s. 339.08, F.S., related to use of STTF moneys, to specifically authorize DOT to pay off county road projects selected under the Small County Road Assistance Program.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

N/A

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

Yes, DOT would be responsible for evaluating requests from small counties for funding county road resurfacing and reconstruction projects under the program created by the committee substitute.

(3) any entitlement to a government service or benefit?

N/A

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

2. Lower Taxes:

a. Does the bill increase anyone's taxes?

N/A

b. Does the bill require or authorize an increase in any fees?

N/A

c. Does the bill reduce total taxes, both rates and revenues?

N/A

d. Does the bill reduce total fees, both rates and revenues?

N/A

e. Does the bill authorize any fee or tax increase by any local government?

N/A

3. Personal Responsibility:

- a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

N/A

- b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

N/A

4. Individual Freedom:

- a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

N/A

- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

N/A

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:

- (1) Who evaluates the family's needs?

N/A

- (2) Who makes the decisions?

N/A

- (3) Are private alternatives permitted?

N/A

- (4) Are families required to participate in a program?

N/A

- (5) Are families penalized for not participating in a program?

N/A

- b. Does the bill directly affect the legal rights and obligations between family members?

N/A

- c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

(1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

N/A

D. STATUTE(S) AFFECTED:

The committee substitute creates s. 339.2816, F.S., and amends s. 339.08, F.S.

E. SECTION-BY-SECTION ANALYSIS:

N/A

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

N/A

2. Recurring Effects:

See D. Fiscal Comments.

3. Long Run Effects Other Than Normal Growth:

N/A

4. Total Revenues and Expenditures:

See D. Fiscal Comments.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:

1. Non-recurring Effects:

N/A

2. Recurring Effects:

See D. Fiscal Comments.

3. Long Run Effects Other Than Normal Growth:

N/A

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

N/A

2. Direct Private Sector Benefits:

N/A

3. Effects on Competition, Private Enterprise and Employment Markets:

N/A

D. FISCAL COMMENTS:

The committee substitute provides that for an 11 year period, from fiscal year 1999-2000 until fiscal year 2009-2010, up to \$25 million from the STTF may be used annually to fund the Small County Road Assistance Program. Over this period a total of up to \$275 million in state funds could be used to fund county road resurfacing and reconstruction in small counties. To the extent that these state funds are used on county roads, STTF funds would not be available for state transportation projects.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

N/A

B. REDUCTION OF REVENUE RAISING AUTHORITY:

N/A

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

N/A

V. COMMENTS:

N/A

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

The House Committee on Transportation considered HB 1021 at its meeting on March 11, 1999. The committee adopted amendments which were incorporated into the bill to set up a Small County Road Assistance Program in DOT. The differences between the bill as introduced, and the CS are as follows:

- Limited to counties with populations of 75,000 or less (1990 Census).
- Authorizes funding of up to \$25 million per year from STTF for 10 years.
- Any county road would be eligible, not just roads transferred from state
- Capacity improvements (adding lanes) would not be eligible.
- To be eligible, county must have imposed 6 cents local option gas tax and be at 8 mills ad valorem tax rate, or must be at 10 mills ad valorem tax rate.
- DOT may consider extent of local match for program funds.
- Makes condition of the road the primary criteria for prioritizing projects.
- Authorizes DOT to administer contracts on behalf of counties.
- Conformed trust fund provisions so that program can be funded from STTF.

The bill as amended was reported unanimously favorably as a committee substitute.

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VII. SIGNATURES:

COMMITTEE ON TRANSPORTATION:

Prepared by:

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John R. Johnston

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Prepared by:

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AS FURTHER REVISED BY THE COMMITTEE ON TRANSPORTATION & ECONOMIC
DEVELOPMENT APPROPRIATIONS:

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