STORAGE NAME: h1093z.tr \*\*AS PASSED BY THE LEGISLATURE\*\*

DATE: June 1, 2000 CHAPTER #: 00-xxx, Laws of Florida

# HOUSE OF REPRESENTATIVES AS REVISED BY THE COMMITTEE ON TRANSPORTATION FINAL ANALYSIS - LOCAL LEGISLATION

**BILL #**: HB 1093

**RELATING TO**: Okaloosa County/Mid-Bay Bridge **SPONSOR(S)**: Representative Melvin and others

TIED BILL(S): None

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

(1) TRANSPORTATIÓN (EDC) YEAS 11 NAYS 0

(2) COMMUNITY AFFAIRS (PRC) YEAS 10 NAYS 0

(3)

(4)

(5)

# I. SUMMARY:

The bill codifies all prior special acts relating to the Mid-Bay Bridge Authority (Authority) in Okaloosa County into a single act.

The bill makes a substantive change to the Authority's charter provision relating to the lease-purchase agreement between the Authority and the Department of Transportation (DOT). The bill requires that the lease-purchase agreement provide for <u>orderly repayment</u> of any and all costs incurred by DOT in accordance with the terms of the agreement, rather than the <u>expeditious repayment</u> of any and all costs incurred by the DOT as provided in current law. The bill also makes no reference to pledged gas tax proceeds being used to repay DOT as provided in current law, but instead refers to "other sources available to the authority."

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# II. SUBSTANTIVE ANALYSIS:

## A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

1.	Less Government	Yes []	No []	N/A [x]
2.	Lower Taxes	Yes []	No []	N/A [x]
3.	Individual Freedom	Yes []	No []	N/A [x]
4.	Personal Responsibility	Yes []	No []	N/A [x]
5.	Family Empowerment	Yes []	No []	N/A [x]

For any principle that received a "no" above, please explain:

## B. PRESENT SITUATION:

The Mid-Bay Bridge Authority (Authority) was created in 1986 by special act of the Legislature as a dependent special district. The Authority's purpose is planning, constructing, operating and maintaining the Mid-Bay Bridge across Choctawhatchee Bay in Okaloosa County. The Authority constructed the bridge as a toll facility in 1993. The Authority has bonded indebtedness of \$102 million for revenue bonds issued to finance and to refinance construction of, and improvements to, the bridge system.

The Authority's control extends to its "system," which includes the bridge together with all additions, improvements, connections, extensions, streets, roads, and transportation facilities appurtenant thereto. The Authority currently charges a \$2 toll each way over the bridge, except that commuters are only charged \$1 each way. These tolls generated approximately \$6.2 million in system revenues for fiscal year 1998-99. Under a lease-purchase agreement, DOT pays all operation and maintenance costs of the Mid-Bay Bridge. The Authority is obligated to repay these costs when it has sufficient revenues. As of the end of fiscal year 1998-99, the Authority owed DOT \$4.7 million.

Chapter 88-542, Laws of Florida, provides that the lease-purchase agreement between the Authority and DOT must provide for the <u>expeditious repayment</u> of any and all costs incurred by DOT resulting from the covenant to complete the project, and that repayment will be from excess tolls or pledged gas tax proceeds.

### C. EFFECT OF PROPOSED CHANGES:

The bill codifies all prior special acts relating to the Mid-Bay Bridge Authority in Okaloosa County into a single act.

Besides deleting several obsolete provisions, the only major differences between current law and the bill's provisions relate to the lease-purchase agreement between the Authority and the Department of Transportation. The bill requires that the lease-purchase agreement provide for <u>orderly repayment</u> of any and all costs incurred by DOT in accordance with the terms of the agreement, rather than the <u>expeditious repayment</u> of any and all costs incurred by the DOT. The bill also makes no mention of pledged gas tax proceeds being used to repay DOT, but instead refers to "other sources available to the authority." The bill does not specify what sources are included in these "other sources" of funding.

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# D. SECTION-BY-SECTION ANALYSIS:

**Section 1:** Statement of Codification Intent.

Section 2: Codifies, reenacts, amends, and repeals special acts relating to the Mid-Bay

Bridge Authority.

**Section 3:** Recreates and reenacts the Mid-Bay Bridge Authority:

Section 1: Purposes of Authority.

Section 2: Provides definitions.

Section 3: Provides for membership of the Authority.

Section 4: Grants powers necessary for the Authority to accomplish its purposes.

Section 5: Provides that members of the Authority do not receive salary or other

compensation; provides reimbursements for reasonable costs and expenses

incurred in performing duties.

Section 6: Provides budget procedures.

Section 7: Provides for reasonable notice of all meetings.

Section 8: Authorizes the Authority to issue revenue or refunding bonds.

Section 9: Provides that the State or Federal Government will not alter the Authority's

rights regarding bonds or contracts with bondholders.

Section 10: Provides that powers granted by the act are supplemental to any other powers

conferred by other laws, unless inconsistent.

Section 11: Directs DOT to cooperate with the Authority.

Section 12: Requires the Authority's financial records to be audited by an independent CPA

at least once a fiscal year.

Section 13: Authorizes the Authority to enter into a lease-purchase agreement with the

DOT

Section 14: Declares that any bonds or other obligations are legal investments.

**Section 4**: Repeals all prior special acts relating to the Authority's charter.

**Section 5**: Provides for construction of the act's provisions.

**Section 6**: Provides severability clause.

**Section 7**: Provides for effect of act regarding conflicting laws.

**Section 8**: Provides effective date of upon becoming law.

III.	<u>NC</u>	OTICE/REFERENDUM AND OTHER REQUIREMENTS:				
	A.	NOTICE PUBLISHED? Yes [x] No []				
		IF YES, WHEN? November 11, 1999				
		WHERE? Northwest Florida Daily News, For	rt Walton Beach, Okaloosa County, Florida			
	В.	REFERENDUM(S) REQUIRED? Yes [] No	[x]			
		IF YES, WHEN?				
	C.	LOCAL BILL CERTIFICATION FILED? Yes,	attached [x] No []			
	D.	ECONOMIC IMPACT STATEMENT FILED?	Yes, attached [x] No []			
IV.	CC	COMMENTS:				
	A.	CONSTITUTIONAL ISSUES:				
		N/A				
	B.	RULE-MAKING AUTHORITY:				
		N/A				
	C.	OTHER COMMENTS:				
		N/A				
V.	<u>AN</u>	AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:  The Committee on Transportation considered this bill on April 3, 2000, and adopted one amendment which added a line of text from prior special acts that was omitted from the bill. The bill was reported favorably with one amendment.				
	am					
VI.	SIC	SIGNATURES:				
		MMITTEE ON TRANSPORTATION: Prepared by:	Staff Director:			
		Phillip B. Miller	John R. Johnston			
	AS REVISED BY THE COMMITTEE ON COMMUNITY AFFAIRS: Prepared by: Staff Director:					
		Laura L. Jacobs, Esq.	Joan Highsmith-Smith			

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FINAL ANALYSIS PREPARED BY THE COMPrepared by:	MITTEE ON TRANSPORTATION: Staff Director:

John R. Johnston

Phillip B. Miller