

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based only on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/CS/SB 862

SPONSOR: Fiscal Policy Committee and Transportation Committee

SUBJECT: Transportation and Economic Development

DATE: February 23, 2000 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>McAuliffe</u>	<u>Meyer</u>	<u>TR</u>	<u>Favorable/CS</u>
2.	<u>Hayes</u>	<u>Hadi</u>	<u>FP</u>	<u>Favorable/CS</u>
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

I. Summary:

Committee Substitute for Committee Substitute for Senate Bill 862 (“committee substitute”) creates a County Incentive Grant Program to provide matching grants to counties for transportation projects located on the State Highway System or demonstrated to relieve traffic congestion on the State Highway System. The committee substitute provides that a municipality may apply to the county for consideration for funding projects and a mediation process is provided to resolve any concerns of the municipality and county.

This committee substitute provides the matching funds are determined on a scoring system, according to the counties maximization of the 5-cent local option fuel tax levied under s. 336.025(1)(b); the ninth-cent fuel tax levied under s.336.021(1)(a); the county sales tax, a portion of which is dedicated to transportation; ad valorem taxes, a portion of which is dedicated to transportation; transportation impact fees; and, the county contribution from the Rental Car Surcharge. The committee substitute allows an additional 10 percent matching funds if the projects are on the State Highway System.

This committee substitute creates the Economic Growth Transportation program within the Florida Department of Transportation. The committee substitute provides economic development projects may be proposed for funding through this program by any local government, regional organization, economic development board, public/private partnership, Metropolitan Planning Organization (MPO), state agency, airport authority or airport governing board, or other statewide group engaged in economic development activities.

Eligible projects must be identified as part of the Florida Strategic Freight Network as defined by the Florida Department of Transportation (FDOT), and must be prioritized with a prioritization method adopted by the FDOT.

The committee substitute creates the Economic Growth Advisory Council to advise the FDOT on project prioritization and selection of economic development projects for the Economic Growth

Transportation program. The committee substitute also authorizes the Council to advise the FDOT on the Florida Intrastate Highway System Plan and the Public Transit Plan.

The committee substitute provides for a State-funded Infrastructure Bank (SIB) within FDOT. The SIB is an investment fund that offers loans, credit enhancements, and other forms of financial assistance to transportation projects on the state highway system or that relieves congestion on the state highway system.

The committee substitute redistributes certain motor fuel taxes primarily used for the Florida Intrastate Highway System for projects which support economic development, emergency evacuation, or improved access to urban areas. The committee substitute further provides for the transfer of \$600 million from the General Revenue Fund to the State Transportation Trust Fund; \$450 million of those funds will be used for the County Incentive Grant Program, and \$150 million will capitalize the State-funded Infrastructure Bank. The committee substitute exempts the \$600 million from General Revenue and the redistributed motor fuel taxes from the requirement that 15 percent of funds in the State Transportation Trust Fund (STTF) must go to public transportation.

The CS provides the FDOT must issue up to \$650 million in Grant Anticipation Revenue Vehicle (GARVEE) bonds proceeds by June 30, 2006. To the maximum extent feasible, the bond proceeds must be spent on the Florida Intrastate Highway System.

Further, the CS increases the amount of funds which may be advanced to expressway authorities from the Toll Facilities Revolving Trust Fund, and establishes freight mobility committees in larger MPOs. The CS provides an additional planning factor concerning economic enhancements which must be considered in MPO and FDOT transportation plans.

This CS amends sections 212.0606, 320.072, 215.616, 338.001, 338.251, 339.08, 339.155, 341.051 and 339.175 and creates sections 339.2817, 339.55 and 341.054 of the Florida Statutes.

II. Present Situation:

Toll Facilities Revolving Trust Fund

Section 338.251, F.S., provides for the Toll Facilities Revolving Trust Fund. The trust fund was created to encourage the development, and to enhance the financial feasibility of revenue-producing road projects undertaken by local governmental entities in a county or combination of contiguous counties. The Toll Facilities Revolving Trust Fund provides interest free loans as seed money to pay initial project development costs for toll facilities. Since 1986, \$143 million has been loaned to Expressway authorities, and \$62.9 million has been repaid and revolved as new loans. The section further provides no amount in excess of \$500,000 annually may be advanced to any one governmental entity without specific authority from the Legislature.

Metropolitan Planning Organizations

In order to carry out transportation planning, federal law (23 USC Sec. 134) and state law (s. 339.175, F.S.) requires a MPO to be designated for each urbanized area of more than 50,000.

This designation is accomplished by an agreement between the Governor and the local government which represents at least 75 percent of the population of that urbanized area. The boundaries of a MPO are determined by agreement between the Governor and the MPO.

The federal law also makes a distinction between metropolitan areas with a population of 200,000 or more. These areas are called transportation management areas (TMA) and such distinction offers these areas different forms of federal funding and more federal scrutiny of their transportation plans.

Voting membership for a MPO is determined on a geographic-population ratio basis by the Governor based upon agreement with local governments. A MPO may have no less than five members and no more than 19, and all MPO members must be elected local officials. However, if possible, no less than one-third of a MPO's membership must be county commissioners. Certain counties are authorized to reapportion the membership of the MPO to include more involvement from municipalities.

Section 339.175, F.S., provides an MPO must appoint a technical advisory committee to advise an MPO on issues assigned by the MPO. Most MPOs do not have a freight advisory committee.

Economic Development Programs

Current programs which address the connection between economic development in Florida include the FDOT intermodal program, the Freight Stakeholders Task Force, and the Economic Development Transportation Fund.

Through the Intermodal Program, FDOT has recently taken great strides toward a statewide view of transportation projects and how they effect the movement of commerce.

Since program inception in FY 1990/91 through FY 1998/99, \$271.9 million has been allocated for intermodal access improvement projects.

A portion of the program funds is distributed by statutory formula for local significant projects and a portion is distributed based on demonstrated statewide needs. During FY 1997/98, continued emphasis was placed on improving road and rail access to Florida's seaports and airports.

Major statewide projects receiving intermodal access funding in FY 1996/97, includes the South Florida Rail Corridor Phase III double tracking project, Port Everglades Southport land acquisition, Miami Intermodal Center, and MDTA/Metrorail Extension.

The Intermodal Program has evolved into a good example of a statewide perspective of the state's freight transportation needs. The program is working in conjunction with the Freight Stakeholders Task Force to develop the intermodal systems plan for freight movement.

The primary objective of the Freight Stakeholders Task Force is the identification and prioritization of freight intermodal projects and the development of recommendations for the Florida Statewide Intermodal System Plan. The first step taken by the task force was the

definition and assessments of the freight intermodal network. This included freight terminals for each mode and the network of connecting highways and railways. The next step for the task force was to prioritize potential freight transportation improvement projects.

The prioritization criteria suggested favors projects with measures such as stage of development, traffic volumes, and safety which are measures many MPOs use to prioritize projects. The task force was appropriated \$10 million for projects in fiscal year 1999-2000. This amount of funding will fund very few projects.

To be considered, each project sponsor must submit a formal application to FDOT. FDOT reviews the applications for completeness and accuracy and develops a priority rating list, based upon the prioritization criteria. The task force then develops recommended project allocations and the Task force's recommendations are presented for final selection by FDOT.

Without a continuing funding source, these freight projects will have to wait in line to be put on the 5-year work program. A continuing funding source would allow the FDOT to offer incentives to MPOs to advance high priority freight projects.

The Economic Development Transportation Fund was created in 1980 and was initially administered by FDOT and the Florida Department of Commerce to help local governments attract new businesses and retain existing businesses while fulfilling state concurrency requirements. Since that time, the program has been put under the charge of the Governor's Office of Tourism, Trade, and Economic Development (OTTED) and FDOT serves as a pass through for the funds.

Eligible projects are those which facilitate economic development by eradicating location-specific transportation problems (e.g., access roads, signalization, road widening, etc.) on behalf of a specific eligible company. Up to \$2,000,000 may be provided to a local government to implement the improvements. The actual amount funded is based on specific job creation and/or retention criteria.

The unit of government who will own and be responsible for maintenance of the transportation improvement must apply to Enterprise Florida and have approval of funds for its transportation project prior to the final decision of the company on whose behalf the application was made.

Upon receipt of an application, Enterprise Florida staff determines if it is complete and meets program requirements. Any project found to meet these requirements will be presented to OTTED for funding consideration. Funding recommendations are based on the amount of funds requested, the number of permanent full-time jobs created or retained, the economic and demographic conditions of the community in which the location is being considered, and the type of company on whose behalf the application is made.

After project approval and after funds for the project are approved, the company may proceed with its final site selection decision. The Director of OTTED will contract with the applicant for the elimination of the transportation problem. After the company, on whose behalf the application was made, has begun construction of its facility and the local government has submitted necessary documentation, a request for funds may be submitted to OTTED. The local government may

receive a 90 day advance of funds, but must provide evidence of disbursement for eligible expenses before receiving additional funds. Otherwise, funds may be requested on a quarterly basis.

The funding for this program has been \$10 million a year. Funding for Fiscal Year 1998-1999 was increased to \$20 million and \$30 million for Fiscal Year 1999-2000. However about \$10.5 million was deducted off the top of the 1998-1999 appropriation because of budget provisions, and the net appropriation for 1999-2000 was reduced to about \$22 million for the same reason.

State Transportation Trust Fund Diversions

Section 212.0606, F.S., provides for the Rental Car Surcharge. A surcharge of \$2 per day (up to 30 days) is imposed on any lease or rental of a motor vehicle. This section provides after administrative and services charges are deducted from the total, Rental Car Surcharge proceeds are distributed as follows:

- 75 percent is deposited into the State Transportation Trust Fund;
- 5 percent is deposited into the General Revenue Fund;
- 15.75 percent is deposited into the Tourism Promotional Trust Fund; and,
- 4.25 percent is deposited in the Florida International Trade and Promotion Trust Fund.

Section 215.20, F.S., provides that a service charge of seven percent, representing the estimated pro rata share of the cost of general government paid from the General Revenue Fund, is deducted from all trust fund income.

Section 320.072, F.S., provides for a \$100 fee to be collected upon registration of an additional motor vehicle. Moneys collected under this section, less any refunds granted, are distributed as follows:

- 30 percent is deposited into the General Revenue Fund.
- The remainder of the proceeds, after deducting the 7-percent service charge imposed by s. 215.20, F.S., is deposited into the State Transportation Trust Fund.

Local Option Gas Taxes

In conjunction with its restructuring of state transportation taxes, the 1983 Legislature provided local governments with a major new source of revenue. Originally the tax was established as a tax of 1- to four cent on each gallon of highway fuel, which could be levied at the option of a county's governing body for a maximum period of 5 years, and whose proceeds were required to be shared with municipalities. The tax was to be collected at the wholesale level along with the fuel excise taxes and the fuel sales tax. While the tax retains some of its original characteristics, it has also undergone significant change since it was first authorized.

In 1985, counties were authorized to raise the maximum rate of the tax to 6 cents per gallon and its duration to 30 years. At the same time, collection of the tax was moved to the retail level in order to positively identify the location at which each gallon of fuel was sold. In order to make tax administration more efficient for both the state and the fuel industry, the tax collection point was shifted to the wholesaler (for gasoline and gasohol) and the terminal supplier (for diesel fuel) beginning in July 1996.

In 1993, the Legislature authorized counties to impose another 1- to five-cent tax for each gallon of motor fuel. This brings the total amount of fuel tax a county may impose to 11-cents per gallon. The first 6 cents of fuel tax may be imposed by a majority vote of the board of county commissioners or a county-wide referendum initiated by either the county commission or municipalities representing more than 50 percent of the county's population. To impose the remaining 5 cents, an extraordinary vote of the county commission or a county wide referendum initiated by the commission is required.

Some counties enforce a transportation impact fee or dedicate a portion of their ad valorem tax and local sales tax to finance local transportation projects.

State Infrastructure Bank

A state infrastructure bank (SIB) is designed to be self-sustaining revolving loan fund operating like a bank. A SIB can be capitalized with state or federal seed money and can offer a menu of loan and credit enhancement assistance. The state, especially in a state funded SIB, can have more flexibility in project selection and financial management, and can provide a mechanism to significantly and permanently increase state financing capacity.

FDOT currently has a Federally funded SIB, but the uses of these funds are limited. Federal law authorized four pilot states for a state infrastructure bank including Florida, California, Rhode Island and Missouri. The current SIB is capitalized to date at \$57.6 million.

	SIB Loans (millions)	Total Project (millions)
Awards to Date	\$ 140.2	\$ 511.2
Awards Pending	\$ 72.7	\$2,052.9
Total	\$ 212.9	\$2,564.1

The large amount of the total project which the SIB contributed to is because the SIB has helped fill funding gaps for large transportation projects.

GARVEE Bonds

FDOT is authorized to use the Grant Anticipation Revenue Vehicle (GARVEE) bond program for Federal-Aid Highway Construction . This authorizes FDOT to borrow against future year apportionments of Federal funds for the payment of debt service on bonds issued to provide for costs of Federal-aid projects. The FDOT's Official Federal-Aid Forecasts estimates Florida will receive an average of \$1.24 billion of federal aid annually for highway transportation purposes during federal fiscal years 1999-2004. This provision will allow the pledge of up to 10 percent of future federal-aid funding as the repayment source of debt service on bonds to advance transportation projects.

III. Effect of Proposed Changes:

Section 212.0606, F.S., is amended to delete the 5-percent service charge from the collection of the Rental Car Surcharge, increasing the percent which is deposited into the State Transportation Trust Fund from 75 to 80 percent.

Section 320.072, F.S., is amended to delete the 30-percent transfer of funds to the General Revenue Fund from the proceeds of the \$100 "new wheels on the road" fee.

Section 215.616, F.S., is amended to provide that FDOT must issue up to \$650 million in Grant Anticipation Revenue Vehicle (GARVEE) bonds proceeds by June 30, 2006. To the maximum extent feasible, the bond proceeds must be spent on the Florida Intrastate Highway System to advance projects in the most cost effective manner and to support emergency evacuation, improved access to urban areas, or the enhancement of trade and economic growth corridors of statewide and regional significance which promote Florida's economic growth.

Section 338.001, F.S., is amended to provide that the Economic Growth Advisory Council will review the Florida Intrastate Highway System plan for consistency with other modal plans. The council will review the plans and advise the FDOT to ensure the modal plans are coordinated and to ensure the plans: enhance trade and economic growth corridors; positively affect the competitiveness of Florida's airports and seaports; improve landside highway and rail access.

The section is further amended to provide additional funding for the Florida Intrastate Highway System from the State Transportation Trust Fund. The committee substitute provides funding through a General Revenue service charge reduction from seven percent to four percent on certain fuel tax proceeds provided in s. 215.20, F.S., as well as the General Revenue reduction provided in ss. 212.0606 and 320.072, F.S. Such funding must be used for advancing projects on the Florida Intrastate Highway System to support emergency evacuation, improved access to urban areas, or the enhancement of trade and economic growth corridors of statewide and regional significance which promote Florida's economic growth.

Section 338.251, F.S., is amended to increase the amount which may be annually advanced to any one governmental entity from the Toll Facilities Revolving Trust Fund without specific authority from the Legislature from \$500,000 annually to \$1.5 million annually.

Section 339.08, F.S., is amended to authorize the use of moneys from the State Transportation Trust Fund to pay the cost of county or municipal road projects selected in accordance with the

County Incentive Grant Program, and to provide loans and credit enhancements to governmental units for use in constructing and improving highway transportation facilities selected in accordance with the State Infrastructure Bank.

Section 339.155, F.S., is amended to provide that FDOT must consider how projects and strategies in the FDOT transportation plans enhance trade and economic growth corridors of statewide and regional significance which promote economic growth, and enhance competitiveness of Florida's ports.

Section 339.175, F.S., is amended to provide that each MPO located within a transportation management area, must establish a freight mobility committee. The committee must, at a minimum, advise the MPO concerning the movement of freight and tourism within the MPO district and the relationship of freight traffic with adjoining MPOs. The MPO must appoint the chairman or the chairman's designee from the freight mobility committee to the MPO's technical advisory committee. The CS provides that members of the freight mobility committee will serve at the pleasure of the MPO.

The section is further amended to provide that MPOs must consider how projects and strategies in the MPO transportation plans enhance trade and economic growth corridors of statewide and regional significance which promote economic growth, and enhance competitiveness of Florida's ports.

Section 339.2817, F.S., is created to provide for the County Incentive Grant Program within FDOT to offer grants to counties which have demonstrated a financial commitment to transportation. Matching grants from the program may be provided to counties for use in any project or project phase of transportation facilities located on the State Highway System or demonstrated to relieve traffic congestion on the State Highway System.

To be eligible for consideration, projects must be consistent with local Metropolitan Planning Organization plans and local government comprehensive plans.

The committee substitute provides FDOT must consider, but is not limited to, the following criteria for evaluation of projects for the County Incentive Grant Program:

- The extent to which the project will encourage, enhance or create economic benefits;
- The likelihood assistance would enable the project to proceed at an earlier date than the project would otherwise be able to proceed;
- The extent to which assistance would foster innovative public-private partnerships and attract private debt or equity investment;
- The extent to which the project uses new technologies including intelligent transportation systems that enhances the efficiency of the project;
- The extent to which the project helps maintain or protect the environment;
- The extent to which the project includes transportation benefits for improving intermodalism and safety; and,
- The size of the grant as a percent of the overall project costs with encouragement for local and/or private participation.

The percentage for matching funds will be determined on a scoring system. The scoring system will be established as follows:

- Counties that have adopted both the ninth-cent fuel tax levied under s.336.021(1)(a), and the 5-cent local option gas tax levied under 336.025(1)(b), shall receive one point.
- Counties that have spent, during the two years preceding the application, an average 0.5 mils of ad valorem tax or other general revenue fund revenues on transportation shall receive one point, and one quarter point for each mil over 0.5 mils.
- Counties that have dedicated .25 percent of their local sales tax revenue to transportation shall receive one point, and one-half point for each .25 percent in additional transportation sales tax revenue.
- Counties which contribute 10 percent or more of the total amount of funds distributed to the State Transportation Trust Fund from the Rental Car Surcharge shall receive one-half point.
- Counties that enforce a transportation impact fee shall receive one-half point.

The percentage of matching funds will be determined as follows:

- All counties that meet or exceed a cumulative score of 4.0 by utilization of the identified local funding options shall be eligible for 40 percent matching funds. If the project is on the State Highway System then eligible counties will receive 50 percent matching funds;
- All counties that achieve a cumulative score of 2.5 to 3.9 by utilization of the identified local funding options shall be eligible for 30 percent matching funds. If the project is on the State Highway System then eligible counties will receive 40 percent matching funds;
- All counties that achieve a cumulative score of 1.5 to 2.49 by utilization of the identified local funding options shall be eligible for 20 percent matching funds. If the project is on the State Highway System then eligible counties will receive 30 percent matching funds.

The committee substitute provides that in the case of more than one county submitting an application for a joint project the combined points of the counties applying will determine the matching amount for the joint project.

The committee substitute authorizes the department to adopt rules to implement the County Incentive Grant Program.

The committee substitute authorizes municipalities to apply to the counties for consideration of funding for a project under the County Incentive Grant Program. The committee substitute requires the county to evaluate all municipal applications, and if a municipality's proposed project is rejected by the county for funding, or if the county's proposed project adversely affects a municipality, the municipality may request mediation to resolve any concerns of the municipality and county.

The committee substitute provides for the transfer of \$225 million in fiscal year 2000-2001 and another \$225 million fiscal year 2001-2002 from the General Revenue Fund to the State Transportation Trust Fund to be used to fund the County Incentive Grant Program.

Section 339.55, F.S., provides for a State-funded Infrastructure Bank within FDOT. The SIB is an investment fund that offers loans, credit enhancements, and other forms of financial assistance

to governmental entities for transportation projects on the state highway system or that relieve congestion on the state highway system.

Loans from the SIB may bear interest at or below market interest rates, as determined by the FDOT. Repayment of any loan from the SIB will commence not later than 5 years after the project has been completed and be repaid in no more than 30 years. To be eligible for consideration, projects must be consistent with local Metropolitan Planning Organization plans and local government comprehensive plans, and provide a dedicated repayment source to ensure the loan is repaid to the SIB.

The committee substitute provides the FDOT may consider, but is not limited to the following criteria for evaluation of projects for SIB assistance:

- Credit worthiness of the project;
- Demonstration the project will encourage, enhance or create economic benefits;
- The likelihood that assistance would enable the project to proceed at an earlier date than the project would otherwise be able to proceed;
- The extent to which assistance would foster innovative public-private partnerships and attract private debt or equity investment;
- The extent to which the project uses new technologies, including intelligent transportation systems, that enhances the efficiency of the project;
- The extent to which the project helps maintain or protect the environment;
- Demonstration the project includes transportation benefits for improving intermodalism and safety; and,
- The size of the proposed SIB assistance as a percent of the overall project costs with encouragement for local and private participation.

Loan assistance provided by the SIB shall be included in the department's work program developed in accordance with s. 339.135, F.S. The committee substitute provides the SIB will be capitalized with \$75 million annually for the next two fiscal years from the General Revenue Fund to the State Transportation Trust Fund.

The committee substitute authorizes the department to adopt rules to implement the State Infrastructure Bank..

Section 341.051, F.S., is amended to provide that the Economic Growth Advisory Council will review the Public Transit Plan for consistency with other modal plans. The council will review the plans and advise the FDOT to ensure the modal plans are coordinated and to ensure the plans: enhance trade and economic growth corridors; positively affect the competitiveness of Florida's airports and seaports; improve landside highway and rail access.

Section 341.054, F.S., is created to provide for the Economic Growth Transportation Program within the Department of Transportation. The program will be dedicated to catalyzing or accelerating transportation projects which substantially impact the state's economic competitiveness. The program will be funded from existing public transportation funds not to exceed \$70 million annually. Of that \$70 million, \$1 million must be annually appropriated to the

Transportation Disadvantaged Trust Fund to assist transportation disadvantaged persons. The transportation disadvantaged appropriation is contingent upon the passage of Senate Bill 854.

The section provides that eligible projects include: planning for; design of; right of way acquisition for; or construction of; freight rail, passenger rail, transit, aviation, seaport, and intermodal infrastructure that carries or would carry substantial flows of domestic or international trade and tourism.

Economic growth projects may be proposed by any local government, regional organization, economic development board, public/private partnership, MPO, state agency, airport authority or airport governing board, or other statewide group engaged in economic development activities.

To be eligible for funding under the Economic Growth Program a proposed project must be consistent with approved MPO long-range plans and local comprehensive plans; identified as part of the Florida Strategic Freight Network; and, prioritized in accordance with the prioritization method adopted by the FDOT.

The committee substitute further creates the Economic Growth Advisory Council to advise the FDOT on project prioritization and selection of economic growth projects. The primary goal for the council is the annual identification and prioritization of freight related projects and the development of recommendations for improving the movement of freight and tourism traffic in Florida. Terms for council members will be two years and each member will be allowed one vote. The council will consist of:

- (a) Two representatives of private interests who are directly involved or affected by freight operations and goods movement, chosen by the Speaker of the House of Representatives
- (b) Two representatives of private interests who are directly involved or affected by freight operations and goods movement, chosen by the Senate President.
- (c) One representative of the Metropolitan Planning Organization Advisory Council, chosen by the Metropolitan Planning Organization Advisory Council.
- (d) Two representatives of private interests who are directly involved or affected by freight operations and goods movement, chosen by the Governor.

The committee substitute provides that to the maximum extent possible the appointments to the council must be coordinated to represent the various modes of transportation.

The committee substitute provides the council must hold its initial meeting no later than 30 days after the members have been appointed to organize and select a chair and vice-chair from the council's membership. Meetings must be held upon the call of the chair, but no less than quarterly. Members of the council serve without compensation, but are reimbursed for per diem and travel expenses. FDOT will provide administrative staff support and per diem and travel expenses for the council.

The prioritized projects must be included in the FDOT's tentative work program submitted to the Legislature.

The committee substitute authorizes the department to adopt rules to implement the Economic Growth Transportation Program.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Unknown.

C. Government Sector Impact:

The General Revenue Fund will no longer receive 5 percent of the Rental Car Surcharge (approximately \$6.8 million in FY 2000-01 and \$7 million in FY 2001-02); will no longer receive 30 percent of the "new wheels on the road" fee (approximately \$37.1 million in FY 2000-01 and \$37.8 million in FY 2001-02); and, the General Revenue Fund surcharge is reduced from 7 to 4 percent (approximately \$50.5 million in FY 2000-01 and \$52.9 million in FY 2001-02.)

The committee provides for appropriating all of the funds received from the diversions from the State Transportation Fund to the Department of Transportation in fiscal year 2000-2001 and each year thereafter, for advancing projects on the Florida Highway System to support emergency evacuation, improved access to urban areas, or the enhancement of trade and economic growth corridors.

The committee substitute provides for the transfer of \$300 million in fiscal year 2000-2001 and \$300 million in fiscal year 2001-2002 from the General Revenue Fund to the State Transportation Trust Fund. \$225 million in fiscal year 2000-2001 and fiscal year 2001-2002 will be used to fund the County Incentive Grant Program. \$75 million annually for the next two fiscal years will be used to capitalize the State-funded Infrastructure Bank.

The committee substitute provides for dedicating up to \$70 million of the existing public transportation funds for the Economic Growth Transportation Program for accelerating transportation projects which substantially impact the state's economic competitiveness. Of that \$70 million, \$1 million must be annually appropriated to the Transportation Disadvantaged Trust Fund to assist transportation disadvantaged persons, contingent on Senate Bill 854 becoming a law.

The committee substitute provides for issuing \$650 million in Grant Anticipation Revenue Vehicle (GARVEE) bonds proceeds by June 30, 2006 to be used to the maximum extent feasible for advancing projects to support emergency evacuation, improved access to urban areas, or the enhancement of trade and economic growth corridors. The annual debt service is estimated to be \$81.4 million for 10 years.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.