### **HOUSE OF REPRESENTATIVES STAFF ANALYSIS**

BILL #: HJR 309 w/CS Repeal of Section 19 of Article X of the State Constitution

SPONSOR(S): Allen and others

**TIED BILLS:** IDEN./SIM. BILLS: SB 1400 (s)

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR	
1) Transportation	12 Y, 7 N w/CS	<u>PUGH</u>	MILLER	
2) Appropriations	23 Y, 16 N	HAWKINS	<u>HANSEN</u>	
3)				
4)				
5)				

## SUMMARY ANALYSIS

In the November 2000 General Election, a majority of Florida voters approved a proposed amendment to the state Constitution requiring construction of a high-speed ground transportation system, capable of achieving a minimum 120 mph, and linking the state's five largest urban areas. The measure specified construction was to begin on or before November 3, 2003. The Legislature in 2001 created a 10-member Florida High-Speed Rail Authority to start the work of planning and developing the system.

HJR 309 w/CS will place on the 2004 General Election ballot an amendment to the state Constitution repealing the high-speed rail project.

This joint resolution will require a three-fifths vote of the membership of each chamber for passage.

HJR 309 w/CS has a minimal fiscal impact to the state for publication of the amendment language in a newspaper of general circulation in each county twice prior to the election.

If HJR 309 w/CS passes the Legislature, then pursuant to s. 100.381, F.S., the Revenue Estimating Conference shall prepare a fiscal impact statement in the form and manner as required in s. 100.371(6), F.S., no later than 80 days before the election.

DATE:

### **FULL ANALYSIS**

### I. SUBSTANTIVE ANALYSIS

## A. DOES THE BILL:

1.	Reduce government?	Yes[x]	No[]	N/A[]
2.	Lower taxes?	Yes[]	No[]	N/A[x]
3.	Expand individual freedom?	Yes[]	No[]	N/A[x]
4.	Increase personal responsibility?	Yes[]	No[]	N/A[x]
5.	Empower families?	Yes[]	No[]	N/A[x]

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

### B. EFFECT OF PROPOSED CHANGES:

## Background

In November 2000, Florida voters approved a proposed constitutional amendment to create a highspeed rail transportation system in this state. The vote was 2,900,253 in favor of the amendment (52.7percent), and 2,607,495 opposed (47.3 percent).

The amendment language, in Article X, Section 19, of the Florida Constitution, reads:

"To reduce traffic congestion and provide alternatives to the traveling public, it is hereby declared to be in the public interest that a high speed ground transportation system of a monorail, fixed guideway or magnetic levitation system, capable of speeds in excess of 120 mph, be developed and operated in the state of Florida to provide high speed ground transportation by innovative, efficient and effective technologies consisting of dedicated rails or guideways separated from motor vehicular traffic that will link the five largest urban areas of the State as determined by the Legislature and provide access to existing air and ground transportation facilities and services. The Legislature, the Cabinet and the Governor are hereby directed to proceed with the development of such a system by the state and/or by a private entity pursuant to state approval and authorization, including the acquisition of right-of-way, the financing of design and construction of the system, as provided by specific appropriation and by law, with construction to begin on or before November 1, 2003."

Legislation in the 2001 session created the 10-member Florida High-Speed Rail Authority and directed it to study a number of issues and report back to the Legislature by January 2002 on its findings and any recommendations. The legislation also designated the initial segments of the high-speed rail system: between St. Petersburg, Tampa and Orlando, with future service to Miami.

The Legislature in the 2002 session broadened the Authority's responsibilities so that it could develop a marketing plan, a detailed planning-level ridership study, and an estimate of the annual operating and maintenance costs of the high-speed rail system and other associated expenses. The Authority also was given the ability to: establish and collect rates, fees and other charges; acquire land and enter into leases and other contracts; and incur debt, but only in accordance with levels authorized by the Legislature. The legislation allowed the Authority to select the alignment of the high-speed rail routes within the legislatively selected urban service areas, and to prioritize the sequence of construction of each route, based on an evaluation of ridership potential, availability of local government and privatesector financing, and the availability of Authority funding.

The most recent action of the Authority was to issue "Requests for Proposals" (RFPs) for entities interested in designing, building, operating, maintaining and even financing the first segment of the high-speed rail project – linking Orlando and Tampa. Four companies or consortia responded to the

STORAGE NAME: h0309c.ap.doc PAGE: 2 March 29, 2003

RFPs in February 2003. The Authority continues to review the RFPs, and is scheduled to announce its selection for the first round of negotiations in October 2003.

In its two years of existence, the Authority has received about \$9 million in state funding and \$6 million in federal funds for operations, planning and design.

# Constitutional amendments

Article XI, sections 1 and 5, of the Florida Constitution provide for amendment to the Constitution by the legislative process. The Legislature proposes amendments to the Constitution by joint resolution passed by three-fifths of the membership of each house. The amendment must be placed before the electorate at the next general election held after the proposal has been filed with the Secretary of State's Office.

# Provisions of HJR 309

HJR 309 w/CS includes a number of "whereas" clauses explaining the sponsor's reasons for filing the legislation.

It seeks to place on the 2004 general election ballot an amendment to the Florida Constitution repealing Section 19. Article X.

HJR 309 w/CS must pass the House and the Senate by a three-fifths majority of the membership of each chamber before it can be placed on the referendum ballot.

# C. SECTION DIRECTORY:

Not applicable.

# II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

# 2. Expenditures:

There is minimal cost associated with putting an amendment on the ballot. Article XI, Section 5 of the Florida Constitution requires that each proposed amendment to the constitution be published in a newspaper of general circulation in each county two times prior to the election where it will be considered. The state Division of Elections has estimated that the cost of placing these advertisements is about \$59,000.

However, if Article X, Section 19 of the Florida Constitution is repealed as a result of this joint resolution, significant cost avoidance would result to the State. House PCB AP-03-01 (the House Appropriations Bill) contains \$82,240,000 in Specific Appropriation 1901J for high speed rail development. Of that amount \$75,000,000 was provided to initiate bonding for Phase 1-Part 1 of the high speed rail system and would be needed annually for 35 years to support those bonds. Cost estimates for Phase 1-Part 1, consisting of the track between Tampa and Orlando, have ranged from \$2.1 to \$2.4 Billion according to the Florida High Speed Rail Authority.

# **B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

1. Revenues:

None.

STORAGE NAME: h0309c.ap.doc PAGE: 3 DATE: March 29, 2003

# 2. Expenditures:

None.

## C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

### D. FISCAL COMMENTS:

If HJR 309 w/CS passes the Legislature, then pursuant to s. 100.381, F.S., the Revenue Estimating Conference shall prepare a fiscal impact statement as required in s. 100.371(6), F.S., no later than 80 days before the election. The fiscal impact statement shall be separately contained and appear on the ballot following the proposed amendment's ballot summary.

#### III. COMMENTS

#### A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The provisions of Article VII, Section 18, requiring a mandate analysis of proposed legislation do not apply to proposed amendments to the state Constitution.

# 2. Other:

Article XI, sections 1 and 5, Florida Constitution, provide that a constitutional amendment may be proposed by joint resolution of the Legislature. Final passage in the House and Senate requires a three-fifths vote in each house; passage in a committee requires a simple majority vote. If the joint resolution is passed in this session, Article XI, section 5, of the Florida Constitution provides that the proposed amendment would be placed before the electorate at the 2004 General Election or at an earlier special session authorized for that purpose. Once in the tenth week, and once in the sixth week immediately preceding the week in which the election is held, the proposed amendment or revision, with notice of the date of election at which it will be submitted to the electors, must be published in one newspaper of general circulation in county in which a newspaper is published. If the proposed amendment or revision is approved by vote of the electors, it will be effective as an amendment to or revision of the state constitution on the first Tuesday after the first Monday in January following the election.

#### B. RULE-MAKING AUTHORITY:

Not applicable.

# C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

# IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

At its March 26, 2003, meeting, the Transportation Committee adopted without objection one amendment that deleted the provision that a special election could be scheduled to consider the proposed constitutional amendment.

The committee then voted 12-7 in favor of the bill with committee substitute.

STORAGE NAME: h0309c.ap.doc PAGE: 4 March 29, 2003

DATE:

STORAGE NAME: h030 DATE: h030

h0309c.ap.doc March 29, 2003