

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 37B Florida State Fair Authority

SPONSOR(S): Bowen

TIED BILLS: IDEN./SIM. BILLS:

| REFERENCE | ACTION | ANALYST | STAFF DIRECTOR |
|-----------------------|--------|---------|----------------|
| 1) Finance & Taxation | | Overton | Diez-Arguelles |
| 2) | | | |
| 3) | | | |
| 4) | | | |
| 5) | | | |

SUMMARY ANALYSIS

The Florida State Fair Authority is an instrumentality of the State and its duties include owning and maintaining the Florida State Fairgrounds in Hillsborough County and holding an annual State Fair. Sec. 616.257, F.S., provides that Authority may issues revenue bonds as provided in the Florida Bond Act. Art. VII, Section 11, of the Florida State Constitution requires that the issuance of revenue bonds by instrumentalities of the state for state fixed capital projects be approved by the Legislature by an act relating to appropriations or by general law. Sec. 616.257(4), F.S., provides that all projects of the Authority be deemed state fixed capital projects. Consequently, the Authority cannot issue revenue bonds without authorization from the Legislature.

The bill authorizes the Authority to issue revenue bonds of not more than \$10 million for the purpose of acquiring 2 parcels of real property consisting of approximately 36 acres adjacent to the existing Florida State Fair grounds in Hillsborough County, Florida; constructing a covered horse arena, forestry display, chair barn roof, operations building, campground addition, entry gate, and storage building; paving and other site work; and replacing air-conditioning chillers and other replacements and renovations.

The Authority shall pay the debt service on the bonds from rates, fees, rentals, tolls, and other charges for the use of such projects or for the services or facilities furnished thereby.

The bill has no fiscal impact on state or local funds. Sec. 616.257(3), F.S., provides that revenue bonds of the Authority shall not be deemed to be a debt of the State or to pledge the faith and credit or taxing power of the State. The bonds shall be payable exclusively from the funds pledged for their payment.

The bill is effective upon becoming a law.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: h0037B.ft.doc
DATE: June 17, 2003

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. DOES THE BILL:

- | | | | |
|--------------------------------------|------------------------------|-----------------------------|---|
| 1. Reduce government? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. Lower taxes? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. Expand individual freedom? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. Empower families? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

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

B. EFFECT OF PROPOSED CHANGES:

The Florida State Fair Authority is an instrumentality of the State and its duties include owning and maintaining the Florida State Fairgrounds in Hillsborough County and holding an annual State Fair. Sec. 616.257, F.S., provides that Authority may issues revenue bonds as provided in the Florida Bond Act. Art. VII, Section 11, of the Florida State Constitution requires that the issuance of revenue bonds by instrumentalities of the state for state fixed capital projects be approved by the Legislature by an act relating to appropriations or by general law. Sec. 616.257(4), F.S., provides that all projects of the Authority be deemed state fixed capital projects. Consequently, the Authority cannot issue revenue bonds without authorization from the Legislature.

The bill authorizes the Authority to issue revenue bonds of not more than \$10 million for the purpose of acquiring 2 parcels of real property consisting of approximately 36 acres adjacent to the existing Florida State Fair grounds in Hillsborough County, Florida; constructing a covered horse arena, forestry display, chair barn roof, operations building, campground addition, entry gate, and storage building; paving and other site work; and replacing air-conditioning chillers and other replacements and renovations.

The Authority shall pay the debt service on the bonds from rates, fees, rentals, tolls, and other charges for the use of such projects or for the services or facilities furnished thereby.

C. SECTION DIRECTORY:

Section 1: Authorizes the Florida State Fair Authority to issue revenue bonds of not more than \$10 million for the purpose of acquiring 2 parcels of real property consisting of approximately 36 acres adjacent to the existing Florida State Fair grounds in Hillsborough County, Florida; constructing a covered horse arena, forestry display, chair barn roof, operations building, campground addition, entry gate, and storage building; paving and other site work; and replacing air-conditioning chillers and other replacements and renovations. Provides that the Authority shall pay the debt service on the bonds from rates, fees, rentals, tolls, and other charges for the use of such projects or for the services or facilities furnished thereby.

Section 2: Provides an effective date of upon becoming law.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None,

D. FISCAL COMMENTS:

Sec. 616.257(3), F.S., provides that revenue bonds of the Authority shall not be deemed to be a debt of the State or to pledge the faith and credit or taxing power of the State. The bonds shall be payable exclusively from the funds pledged for their payment.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The bill does not require counties or municipalities to take an action requiring the expenditure of funds, does not reduce the authority that counties or municipalities have to raise revenues in the aggregate, and does not reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

The Division of Bond Finance has suggested adding language to the bill to clarify that debt service for the bonds can be paid from any funds of the authority.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES