

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 435 Florida State Fair Authority
SPONSOR(S): Littlefield
TIED BILLS: None IDEN./SIM. BILLS: SB 676

Table with 4 columns: REFERENCE, ACTION, ANALYST, STAFF DIRECTOR. Rows include Agriculture, Finance & Tax, Agriculture & Environment Apps. (Sub), Appropriations, and an empty row.

SUMMARY ANALYSIS

While Florida's state fair will be celebrating its 100th anniversary in 2004, the entity that presently manages the fairgrounds did not come into existence until 1974. At that time the Florida State Fair Authority (Authority) was created in section 616.251, Florida Statutes.

The Florida State Fair Authority (Authority) is an instrumentality of the State. Its duties include owning and maintaining the Florida State Fairgrounds in Hillsborough County and holding an annual state fair.

Since July, 1995, responsibility for the oversight of the Authority has been handled by the Commissioner's Office of the Florida Department of Agriculture and Consumer Services. The Commissioner's Office assists, advises and makes recommendations regarding the financing and operation of the Authority.

HB 435 authorizes the Authority to issue revenue bonds of not more than \$10 million. Section 616.257, Florida Statutes, permits the Authority to issue bonds as provided in the State Bond Act, and Florida's constitution requires authorization from the Legislature for issuance of the bonds.

The bonds will be used for some or all of the following purposes: acquiring 2 parcels of real property adjacent to the existing Florida State Fair grounds; constructing an operations building, a campground addition, entry gates, a storage building, or all such improvements; performing paving and other site work; constructing an addition to the administrative building; performing land improvements; acquiring other real property as may be available; and performing or constructing other replacements and renovations. The Authority will 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.

This bill has no fiscal impact on state or local funds. The bonds will be payable exclusively from the funds pledged for their payment and 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 bill is effective upon becoming law.

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

STORAGE NAME: h0435e.ap.doc
DATE: April 2, 2004

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:

While Florida's state fair will be celebrating its 100th anniversary in 2004, the entity that presently manages the fairgrounds did not come into existence until 1974. At that time the Florida State Fair Authority (Authority) was established in section 616.251, Florida Statutes.

The Authority is an instrumentality of the State. Its duties include owning and maintaining the Florida State Fairgrounds in Hillsborough County and holding an annual state fair.

Since July, 1995, responsibility for the oversight of the Authority has been handled by the Commissioner's Office of the Florida Department of Agriculture and Consumer Services. The Commissioner's Office assists, advises and makes recommendations regarding the financing and operation of the Authority.

Section 616.257, Florida Statutes, provides that the Authority may issue revenue bonds as provided in the Florida Bond Act. In Article VII, Section 11, the Florida State Constitution requires that the issuance of revenue bonds by instrumentalities of the state for the purpose of state fixed capital projects be approved by the Legislature by an act relating to appropriations or by general law. In addition, section 616.257(4), Florida Statutes, provides that all projects of the Authority be deemed state fixed capital projects. Therefore, the Authority cannot issue revenue bonds without authorization from the Legislature.

HB 435 authorizes the Authority to issue revenue bonds of not more than \$10 million for some or all of the following purposes: acquiring two parcels of real property consisting of approximately 36 acres adjacent to the existing Florida State Fair grounds; constructing an operations building, a campground addition, entry gates, a storage building, or all such improvements; performing paving and other site work; constructing an addition to the administrative building; performing land improvements; acquiring other real property as may be available; and performing or constructing other replacements and renovations

The Authority will 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: Creates s. 616.2575, Florida Statutes; authorizes the Florida State Fair Authority to issue revenue bonds of not more than \$10 million for some or all of the following purposes: acquiring two parcels of real property adjacent to the existing Florida State Fair grounds in Hillsborough County, Florida; constructing an operations building, a campground addition, entry gates, a storage building, or all such improvements; performing paving and other site work; constructing an addition to the

administrative building; performing land improvements; acquiring other real property as may be available; and performing or constructing other replacements and renovations; provides for the Authority to 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 of 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:

Section 616.257(3), Florida Statutes, 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:

This 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:

None

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES