

HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

BILL #: HB 803 Sanford Airport Authority, Seminole County
SPONSOR(S): Simmons
TIED BILLS: None. **IDEN./SIM. BILLS:** None.

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Local Government Council</u>	<u>8 Y, 0 N</u>	<u>Smith</u>	<u>Hamby</u>
2) <u>Utilities & Telecommunications Committee</u>	<u></u>	<u>Cater</u>	<u>Holt</u>
3) <u>Finance & Tax Committee</u>	<u></u>	<u></u>	<u></u>
4) <u></u>	<u></u>	<u></u>	<u></u>
5) <u></u>	<u></u>	<u></u>	<u></u>

SUMMARY ANALYSIS

The Sanford Airport Authority (Authority) is a dependent special district located in Seminole County, Florida. The Authority was created by ch. 69-1616, L.O.F., which was amended by ch. 71-924, L.O.F.

This bill authorizes the Authority to enter into exclusive or nonexclusive contracts, leases, franchises, or other arrangements with any person(s) for terms of not more than 50 years:

- granting the privilege of using or improving any project of the Authority for commercial purposes;
- conferring the privilege of supplying goods, commodities, things, and services or facilities at the project or projects;
- making available services to be furnished by the Authority or its agents at the project; and
- establishing the terms and conditions and fixing the charges, rentals, or fees for such privileges or services so long as the fees or charges are not in conflict with any rules and regulations of the Public Service Commission (PSC).

According to the Economic Impact Statement, the bill will not have a fiscal impact in FY 05-06 or FY 06-07.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Provide limited government - This bill authorizes the Authority to enter into exclusive or nonexclusive contracts, leases, franchises, or other arrangements with any person(s) for terms of not more than 50 years. See Effect of Proposed Changes for details regarding such agreements.

B. EFFECT OF PROPOSED CHANGES:

Sanford Airport Authority Generally

The Sanford Airport Authority was created in 1969¹ and is a dependent special district located in Seminole County, Florida. Since its creation, the original charter of the Authority has been amended by one special act².

Effect of Proposed Changes

This bill authorizes the Authority to enter into exclusive or nonexclusive contracts, leases, franchises, or other arrangements with any person(s) for terms of not more than 50 years:

- granting the privilege of using or improving any project of the Authority for commercial purposes;
- conferring the privilege of supplying goods, commodities, things, and services or facilities at the project or projects;
- making available services to be furnished by the Authority or its agents at the project; and
- establishing the terms and conditions and fixing the charges, rentals, or fees for such privileges or services so long as the fees or charges are not in conflict with any rules and regulations of the PSC.

According to the PSC, the only rules and regulations of the PSC that would apply to the Authority would be its rules for Shared Tenant Service (STS) in s. 25-24.550 through 25-24.585, F.A.C. Section 25-24.580, F.A.C., provides an airport exemption to the STS rules. The exemption reads:

Airports shall be exempt from other STS rules due to the necessity to ensure the safe and efficient transportation of passengers and freight through the airport facility. The airport shall obtain a certificate as a shared tenant service provider before it provides shared local service to facilities such as hotels, shopping malls, and industrial parks. However, if the airport partitions its trunks, it shall be exempt from other STS rules for service provided only to the airport facility.

C. SECTION DIRECTORY:

- Section 1.** Amends subsection (4) of s. 11 of ch. 71-924, L.O.F., relating to the powers of the Authority; authorizes the Authority to enter into exclusive or nonexclusive contracts, leases, franchises, or other arrangements with any person or persons for terms not exceeding 50 years, granting the privilege of using or improving any project of the Authority, or any portion of space therein, for commercial purposes; conferring the privilege of supplying goods, commodities, things, and services or facilities at the project or projects; making available services to be furnished by the Authority or its agents at the project; and establishing the terms and conditions and fixing the charges, rentals, or fees

¹ Ch. 69-1616, L.O.F.

² Ch. 71-924, L.O.F.

for such privileges or services so long as the fees or charges are not in conflict with any rules and regulations of the PSC.

Section 2. Provides for the bill to take effect upon becoming law.

II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? December 24, 2004; December 29, 2004 and January 5, 2005

WHERE? *Orlando Sentinel*, Orlando, Orange County, Florida; *The Sanford Herald*, Sanford, Seminole County, Florida

B. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes, attached No

D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached No

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

There do not appear to be any constitutional issues with this bill.

B. RULE-MAKING AUTHORITY:

This bill does not address rule-making authority.

C. DRAFTING ISSUES OR OTHER COMMENTS:

Other Comments

The bill provides that agreements authorized by this bill may set charges, rentals, or fees for privileges or services as long as they are not in conflict with any rules and regulations of the PSC. However, according to Larry Dale, President of the Authority, the Authority is not regulated by the PSC for the charges, rentals, or fees regarding such agreements.

According to the Economic Impact Statement, the advantages regarding the estimated economic impact on individuals, business, or governments is that this bill will provide for better control over charges assessed by tenants and concessionaires to Airport customers and the traveling public.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES

None.