

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Provide limited government

This bill will allow an independent special district to issue a greater amount of industrial development revenue bonds.

B. EFFECT OF PROPOSED CHANGES:

Present Situation

The Sarasota-Manatee Airport Authority (SMAA) is a bicounty governmental agency created by special act of the Florida Legislature for the purpose of "acquiring, constructing, improving, financing, operating, and maintaining airport facilities." The enabling legislation for the authority states that it is "a body politic and corporate" and a "public instrumentality," and specifically designates the authority as a political subdivision for the purpose of certain tax statutes.

The SMAA is an independent special district as defined by s. 189.403, F.S., and has been identified as such by the Florida Department of Community Affairs. The governing board of the authority is appointed by the Governor and consists of six members, three of whom are residents of Manatee County and three of whom are residents of Sarasota County.

Effect of Proposed Changes

The CS for HB 1579 amends the current "Sarasota Manatee Airport Authority Act," ch. 2003-309, L.O.F., as amended. The bill expressly authorizes and empowers the authority to do all acts or things necessary or proper to be and serve as a "local agency" under part II of ch. 159, F.S., with respect to any project as defined therein, and provides that any bonds issued by the authority pursuant to part II of ch. 159, F.S., will be entitled to all the benefits contained in said part, including, but not limited to, ss. 159.31, 159.39, and 159.40, F.S.

Section 159.27(4), F.S. defines a "local agency" as "... any special district or other local governmental body existing or hereafter created pursuant to the laws of the state, the purpose for the creation of which could reasonably be interpreted to be consistent with the issuance of revenue bonds to finance the cost of projects within the meaning of this part." It would seem that Section 10 of the authority's special act, which grants the authority the authorization to issue such bonds, suffices to bring the authority within this definition.

The bill also eliminates the \$3 million aggregate cap for outstanding industrial development revenue bonds. This cap was enacted 28 years ago with no adjustment for inflation. In s. 159.26, F.S., of the "Florida Industrial Development Financing Act," the Legislature has declared a need to enhance economic activity in the state by attracting manufacturing development, business enterprises management, and other activities conducive to economic promotion. While the SMAA has the power to issue these bonds, the antiquated cap in its enabling act may render them impracticable as a means of financing economic development.

The bill additionally makes several technical changes including deleting the hyphens in "Sarasota-Manatee Airport Authority" and "Sarasota-Bradenton International Airport," substituting the "Transportation Security Administration" for the "Federal Aviation Administration" as the federal agency

authorized to enforce security programs; and changing the reference to adjacent campus from "University of South Florida" to "New College of Florida" for purposes of defining "airport grounds."¹

The act takes effect upon becoming a law.

C. SECTION DIRECTORY:

Section 1: Amends ch. 2003-309, L.O.F.

Section 2: Provides an effective date.

II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? January 8, 2005

WHERE? The Sarasota Herald-Tribune, a daily newspaper published in Sarasota County.

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

The Economic Impact Statement was drawn to the original bill, and has no application to the Committee Substitute.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES

¹ Since its founding as a private college in 1960, the campus of New College of Florida (NCF) has abutted the Sarasota Bradenton International Airport. In 1975, NCF merged with the University of South Florida (USF). However, the Legislature granted NCF its independence, and it is now the public liberal arts honors college for the State of Florida. This change in the charter reflects the fact the NCF is no longer affiliated with USF. See, s. 1004.32, F.S.

At its meeting on April 19, 2006, the Local Government Council adopted a strike-all amendment. This amendment:

- removed proposed language granting broad powers to the authority create to establish subsidiary and affiliate entities, and nonaffiliated corporations;
- removed proposed language authorizing the authority to participate in various forms of business organization;
- removed proposed language providing tax exempt status to these entities; and
- made technical corrections.