

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 251 Regional Transportation Facilities
SPONSOR(S): Economic Expansion & Infrastructure and Galvano
TIED BILLS: **IDEN./SIM. BILLS:** SB 0506

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Committee on Infrastructure</u>	<u>9 Y, 0 N</u>	<u>Creamer</u>	<u>Miller</u>
2) <u>Economic Expansion & Infrastructure Council</u>	<u>13 Y, 0 N, As CS</u>	<u>Creamer</u>	<u>Tinker</u>
3) <u>Policy & Budget Council</u>	<u></u>	<u>Langston</u>	<u>Hansen</u>
4) <u></u>	<u></u>	<u></u>	<u></u>
5) <u></u>	<u></u>	<u></u>	<u></u>

SUMMARY ANALYSIS

CS/HB 251 creates the Bay Area Regional Transportation Authority comprised of Citrus, Hernando, Hillsborough, Manatee, Pasco, Pinellas, and Sarasota counties. The Authority is established to improve mobility and expand multi-modal transportation options for passengers and freight within the seven-county region.

The bill specifies the composition and various powers and duties that are granted and assigned to the authority, including authorization to:

- Issue bonds with maturities of up to 40 years and to secure payment of such bonds by a pledge of any or all of its revenues;
- Enter into contractual agreements with various entities within the seven-county Bay Area Region;
- Establish and collect tolls, fares and other charges for use of facilities owned or operated by the authority;
- Acquire property through various means, including the use of eminent domain; and
- Enter into lease-purchase agreements with the Department of Transportation (DOT) for terms of up to 40 years.

The fiscal impacts to Local Governments and DOT, including tolls, fees and other charges, are unknown at this time as no projects or contractual agreements have been identified. Unless operational and maintenance expenses necessary to the authority are funded by local governments or from other sources, DOT may be requested to fund these costs from the State Transportation Trust Fund (STTF).

The bill is effective July 1, 2007.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Provide limited government -- Provisions in CS/HB 251 implicate this principle by creating a new regional transportation authority with the authority to issue revenue bonds and to impose tolls.

B. EFFECT OF PROPOSED CHANGES:

Current Situation

Currently, there are four regional transportation authorities; the South Florida Regional Transportation Authority; the Central Florida Regional Transportation Authority; the Tampa Bay Commuter Transit Authority; and the Northwest Florida Regional Transportation Corridor Authority created in chapter 343, F.S., and one local transportation authority, the Jacksonville Transportation Authority, created in chapter 349, F.S. These five authorities have various membership structures, and powers and duties. All have some form of bond financing authority to carry out their individual transportation missions.

Proposed Changes

CS/HB 251 creates Part V of chapter 343, F.S., "Bay Area Regional Transportation Authority", encompassing Citrus, Hernando, Hillsborough, Manatee, Pasco, Pinellas, and Sarasota counties. The Authority is established to improve mobility and expand multi-modal transportation options for passengers and freight within the seven-county region.

1) Membership and Organization

CS/HB 251 contains provisions addressing the membership and organization of the Bay Area Regional Transportation Authority. Specifically the bill:

- Provides that the governing board shall be composed of fifteen voting members and one non-voting, ex-officio member to include:
 - One elected official from Citrus, Hernando, Hillsborough, Manatee, Pasco, Pinellas, and Sarasota counties who will serve 2-year terms for not more than three consecutive terms by any person;
 - The West Central Florida Metropolitan Planning Organization's (MPO) Chairs' Coordinating Committee appointee, who must be a chair of one of the six MPOs within this region and will serve 2-year terms for not more than three consecutive terms by any person;
 - The Mayor or Mayor's designee from each of the largest municipalities in the region of the Pinellas Suncoast Authority and the Hillsborough Area Regional Transit Authority who will serve 2-year terms for not more than three consecutive terms by any person;
 - One membership shall rotate every two years between the largest municipality in Manatee County and the largest municipality in Sarasota County. The Mayor or Mayor's designee from Manatee County shall serve the first 2-year term.
 - Four Governor appointees from the business sector who are not elected officials shall serve 3-year terms for not more than two consecutive terms by any person; and
 - One non-voting, ex-officio member shall be appointed by DOT and must be the District Secretary, or designee, from one of the department districts (Districts One or Seven) serving the region.

The bill provides that the Governor shall appoint the initial chairman from the full membership. The Governor-appointed initial chairman will hold this position for a minimum term of two years.

- Provides that board members would serve without compensation, but be eligible to receive per diem and other travel expenses pursuant to s. 112.061, F.S.
- Requires the board to comply with financial disclosure requirements set forth in ss. 112.3145, 112.3148 and 112.3149 F.S.
- Provides that the board shall appoint from its members a chair and vice-chair and a secretary-treasurer.
- Directs the board to establish:
 - A Citizen's Advisory Committee comprised of 16 members from each county and transit provider within the seven-county region; and
 - A Transit Management Committee comprised of the executive directors or general managers (or their designees) from each of the existing transit providers within the seven-county region.
- Provides that the board *may* also establish planning, policy, finance, and technical advisory committees to provide guidance to the board.
- Provides that the appointed committee members shall serve without compensation, but be eligible to receive per diem and other travel expenses pursuant to s. 112.061, F.S.

2) Powers and Duties

The powers and duties of the Bay Area Regional Transportation Authority are established by CS/HB 251. In this regard, the bill:

- Allows the Authority to establish compensation and determine requirements to employ an executive director, an executive secretary, legal council and legal staff, technical experts, engineers, and other temporary or permanent staff as necessary to carry out the responsibilities of the authority;
- Directs the Authority to adopt a conflict resolution process by July 1, 2008. The RTA, working with its member local governments will adopt a mandatory conflict resolution process that addresses consistency conflicts between the RTA regional transportation master plan and local government comprehensive plans;
- Requires the Authority to coordinate with local governments to ensure the transportation oriented projects are consistent, to the maximum extent feasible, with the local government's comprehensive plans;
- Directs the Authority to coordinate with local governments and the DOT to adopt a master plan by July 1, 2009, that identifies regionally integrated multi-modal transportation systems. The Authority shall present the master plan to governing bodies of the counties within the seven-county region and to legislative delegations for these counties within 90 days after adoption. The Authority must also update the master plan every 2 years.
- Directs the Authority to coordinate project planning, development, and implementation with the applicable comprehensive plans of local governments.
- Allows the Authority to set, collect and enforce tolls, fees, and other charges;

- Allows the Authority to acquire land by purchase, donation, or eminent domain;
- Allows the Authority to issue bonds; to borrow money; to sue and be sued; and to enter into contracts, agreements, and partnerships;
- Allows the Authority to adopt bylaws to conduct business;
- Allows the Authority to lease, rent, or contract for the operation or management of any portion of a transportation facility built by the Authority;
- Allows the Authority to enter into lease-purchase agreements with DOT. DOT also may be appointed by the Authority as its agent to oversee construction of the system's components.
- Allows the Authority to enter into public-private partnerships to construct, operate, own, or finance transportation facilities that are part of the system;

3) Bond Financing

CS/HB 251 authorizes the Bay Area Regional Transportation Authority to finance system projects through the issuance of revenue bonds. The bond financing provisions of the bill

- Allows the Authority to issue revenue bonds, either on its own or through the state Division of Bond Finance for construction of or improvements to commuter rail systems, transit systems, ferry systems, highways, bridges, toll collection facilities, interchanges, and any other transportation facilities necessary to the system;
- Provides bonds issued by the Authority or through the state Division of Bond Finance must conform to the State Bond Act requirements and that terms of the bonds shall not exceed 40 years;
- Bonds may be sold at either a public sale or a negotiated sale;
- Provides the bonds shall not be pledges against the credit of the State of Florida;
- Provides for rights and remedies of bondholders to take action upon default by the Authority or DOT to comply with provisions of any bond agreement.

4) Effects on Other Government Entities

CS/HB 251 clarifies that the Bay Area Regional Transportation Authority's powers do not encroach on any existing laws relating to other governmental entities. The bill:

- Does not repeal, rescind, or modify any existing laws related to the State Board of Administration; the DOT; the Tampa-Hillsborough County Expressway Authority; or the Division of Bond Finance.
- Does not preclude DOT from developing and producing projects in its five-year work program, which are on the state highway system in the same geographical area as the Bay Area Regional Transportation Authority.

The bill also requires the Authority to coordinate plans and projects with the West Central Florida M.P.O. Chairs' Coordinating Committee and participate in the regional M.P.O. planning process to ensure regional comprehension of the authority's mission, goals, and objectives.

C. SECTION DIRECTORY:

Section 1. creates Part V of chapter 343, F.S. to include:

- s. 343.90, to provide for short title of the Bay Area Regional Transportation Authority Act.
- s. 343.91 to establish definitions.
- s. 343.92 to provide for the governing board of the authority.
- s. 343.922 to define powers and duties of the authority.
- s. 343.94 to define bond financing ability for the authority.
- s. 343.943 to provide for the newly created authorities bond covenant.
- s. 343.944 to provide for bondholder's rights and remedies.
- s. 343.945 to provide for enforcement actions for covenants and agreements between bondholders and the authority.

- s. 343.946 to authorize the authority to enter into lease-purchase agreements with DOT.
- s. 343.95 to authorize the authority to acquire private or public property and property rights.
- s. 343.96 to authorize any political subdivision, board, commission, or individual in or of the state to make and enter into contracts, conveyances, leases, partnerships, or other agreements with the authority.

- s. 343.962 to establish that the authority may solicit and/or receive proposals to enter into public-private partnerships.

- s. 343.97 to provide the authority with specific tax exemptions.
- s. 343.973 to provide investment security to the authority.
- s. 343.975 to clarify the authority's powers conferred by this new statute.

Section 2. Provides an effective date of July 1, 2007.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:
See D. Fiscal Comments, below.
2. Expenditures:
See D. Fiscal Comments, below.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:
See D. Fiscal Comments, below.
2. Expenditures:
See D. Fiscal Comments, below.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Economic impact to the private sector is unknown at this time, as no projects (or project details) have been identified. Tolls, fees or other charges to be collected by the Authority cannot be determined until projects are identified.

D. FISCAL COMMENTS:

The fiscal impacts to Local Governments and DOT, including tolls, fees and other charges, are unknown at this time as no projects or contractual agreements have been identified. Unless operational and maintenance expenses necessary to the authority are funded by local governments or from other sources, DOT may be requested to fund these costs from the State Transportation Trust Fund (STTF).

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This mandates provision is not applicable to CS/HB 251 because the legislation does not require counties or municipalities to expend local funds or to raise local funds, nor does it reduce their state revenue-sharing.

2. Other:

None

B. RULE-MAKING AUTHORITY:

The bill creates s. 343.962(8), F.S., which gives the Authority rule-making powers to implement public-private partnerships.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None

D. STATEMENT OF THE SPONSOR

The establishment of a Regional Transportation Authority in the Tampa Bay Area will help our citizens address the transportation needs of the region as well as allow for innovative programs. The idea of multimodal transportation is vital to Florida's future, while the idea of public-private transportation partnerships is supported by idea # 47 of the 100 great ideas for Florida.

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES

On March 29, 2007, this bill was considered by the Economic Expansion and Infrastructure Council.

Three amendments traveling with the bill were adopted.

Amendment 1 clarifies there shall be no more than 2 elected officials on the Bay Area Regional Transportation Authority.

Amendment 2 allows the DOT Secretary to designate only one District Secretary to the board in an effort to resolve conflicting schedules within the region.

Amendment 3 adds that the authority's projects shall be consistent with adopted local government comprehensive plans at the time they are funded for construction.

Three technical amendments, 4, 5, and 12 were adopted. An additional six substantive amendments were offered that included:

Amendment 6, by Representative Galvano, requiring the RTA to adopt a conflict resolution process to address conflicts within the Master Plan was adopted.

Amendment 7, by Representative Galvano, requiring the RTA's transportation oriented projects are consistent, to the maximum extent feasible, with local comp plans was adopted.

Amendment 8, by Representative Galvano, clarifying the structure of the RTA board and providing an appointment process for the board and establishing a maximum time period from creation that the board should hold its first meeting, was adopted.

Amendment 9, by Representative Galvano, requiring the RTA to hold public meetings in each county within its region, prior to final adoption of its Master Plan, was adopted.

Amendment 10, by Representative Galvano, was withdrawn.

Amendment 11, by Representative Galvano, clarifying that the RTA may receive unsolicited proposals for Public-Private multimodal transportation projects, was adopted.

The Economic Expansion and Infrastructure Council adopted the bill as amended and reported it favorably as a Proposed Council Substitute.