

HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

BILL #: HB 1083 Port of Palm Beach District, Palm Beach County

SPONSOR(S): Taylor

TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Committee on Urban & Local Affairs</u>	<u>8 Y, 1 N</u>	<u>Nelson</u>	<u>Kruse</u>
2) <u>Government Efficiency & Accountability Council</u>	<u></u>	<u></u>	<u></u>
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SUMMARY ANALYSIS

The Port of Palm Beach District is an independent special district in Palm Beach County. This bill amends the district's special act to increase the annual salary of port commissioners from \$9,500 to \$19,000.

The bill provides an effective date of upon becoming a law.

According to the Economic Impact Statement, this proposal will be paid for by privately-generated port fees.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

This bill does not appear to implicate any of the House Principles.

B. EFFECT OF PROPOSED CHANGES:

Present Situation

The Port of Palm Beach District is an independent special district in Palm Beach County. The port district board consists of five commissioners, each elected by a district wide vote of the qualified electors for four-year terms. All members of the board are required to be duly qualified voters of Palm Beach County, citizens of the United States, and reside within district limits.¹ In 1999, the salary of each commissioner was increased from \$4,800 to \$9,500.²

For the fiscal year ending September 30, 2006, the district had gross operating revenues of 13 million, and operating expenses of 12.5 million. Revenues were obtained from wharfage, rent dockage, parking, cruise and cargo terminal fees, security fees, etc.³ The port also received \$799,904 in federal grants and \$1,824,061 in state grants.⁴

Port administration⁵ has advised that:

- it examined similar boards (such as small local municipalities and port governing boards) and determined that an annual salary of \$19,000 per commissioner "is in line" with average compensation;
- port commissioners around the state and country now participate more fully in industry and community meetings;
- Port of Palm Beach commissioners all attend three to four programs/meetings each month, whereas a decade ago they only went to one meeting per month; and
- this proposal will not impact taxpayers.

Effect of Proposed Changes

This bill amends a special act relating to the Port of Palm Beach District to increase the annual salary of district commissioners from \$9,500 to \$19,000.

The bill provides an effective date of upon becoming law.

C. SECTION DIRECTORY:

Section 1: Amends s. 3 of art. VI of ch. 74-570, L.O.F., as amended by ch. 99-457, L.O.F., relating to the Port of Palm Beach District, to increase the salaries of port commissioners.

Section 2: Provides an effective date.

¹ Section 3 of ch. 74-570, L.O.F.

² Chapter 99-457, L.O.F.

³ Port of Palm Beach District, Financial Statements with Independent Auditor's Report Thereon, September 30, 2006.

⁴ Telephone conversation with Burton Marshal, Florida Department of Financial Services, on March 14, 2008.

⁵ Lori Baer, Executive Port Director, Port of Palm Beach District.

II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? January 24, 2008

WHERE? *The Palm Beach Post*, a daily newspaper of general circulation published in Palm Beach 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

According to the Economic Impact Statement, the salary increases will be funded by private sector generated port fees. No public tax dollars will be used. This increase will help to offset expenses associated with carrying out the expanded duties of port commissioners.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

D. STATEMENT OF THE SPONSOR

No sponsor statement submitted.

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES