

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 97 Spaceport Facilities
SPONSOR(S): Workman and others
TIED BILLS: **IDEN./SIM. BILLS:** SB 634

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Transportation & Highway Safety Subcommittee	13 Y, 0 N	Kiner	Kruse
2) Transportation & Economic Development Appropriations Subcommittee	15 Y, 0 N	Proctor	Davis
3) Economic Affairs Committee	15 Y, 0 N	Kiner	Tinker

SUMMARY ANALYSIS

The bill amends a section of Florida law by defining the term 'launch support facilities' and deleting the term 'spaceport launch facilities'. "Launch support facilities," as defined by the bill, means facilities that are located at launch sites or launch ranges that are required to support launch activities, including launch vehicle assembly, launch vehicle operations and control, communications, and flight safety functions, as well as payload operations, control, and processing. This change is intended to provide an updated definition of spaceport infrastructure for state and federal purposes.

The bill has an effective date of July 1, 2012.

The bill has no fiscal impact.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Florida's Aerospace Economic Development Organization

Florida's aerospace industry is integral to the state's long-term success in diversifying and building a knowledge-based economy that is able to support the creation of high-value-added businesses and jobs.¹ As such, the Florida Legislature found that a strong public and private commitment was required to foster the growth and development of a sustainable and world-leading aerospace industry in the state.² Space Florida³ is one manifestation of this commitment, and among many other things, fosters economic development by:

- Enhancing the state's workforce, education and research capabilities, with an emphasis on mathematics, science, engineering and related fields;
- Focusing on the state's economic development efforts in order to capture a larger share of activity in aerospace research, technology, production and commercial operations, while maintaining the state's historical leadership in space launch activities;
- Preserving the unique national role served by the Cape Canaveral Air Force Station and the John F. Kennedy Space Center by reducing costs and improving the regulatory flexibility for commercial sector launches while pursuing the development of complementary sites for commercial horizontal launches; and
- Facilitating business financing, and when necessary, entering into memoranda of agreement with municipalities, counties, regional authorities, state and federal agencies and other organizations, as well as other interested persons or groups.⁴

As an independent special district and political subdivision of the state, Space Florida has all the powers, rights, privileges and authority as provided under Florida law.⁵ This authority allows Space Florida to act as a special purpose government and finance vehicle to carry out the legislative intent behind its creation. In doing so, Space Florida is governed by an independent board of directors and an advisory council.⁶ Securing funding for aerospace related infrastructure is one of the many duties and responsibilities of the board of directors.⁷

Florida's Strategic Intermodal System

Space Florida secures funding for aerospace related infrastructure in part from the Florida Department of Transportation's Strategic Intermodal System ("SIS"). The SIS is composed of the following three components:

- Statewide and regionally significant facilities and services (strategic);
- All forms of transportation for moving both people and goods, including linkages that provide for smooth and efficient transfers between modes and major facilities (intermodal); and

¹ s. 331.3011(1), F.S.

² s. 331.3011(2), F.S.

³ Space Florida was created by ch. 2006-60, L.O.F.; codified in ch. 331, F.S.

⁴ Id.

⁵ Id.

⁶ s. 331.3081(1), (2), F.S.

⁷ s. 331.310(1)(d), F.S.

- Integration of individual facilities, services, forms of transportation and linkages into a single, integrated transportation network (system).⁸

Because 'space' is a recognized mode of transportation, 'spaceports' are considered transportation facilities.^{9,10} This recognition makes certain spaceport infrastructure projects eligible for inclusion in the Florida Department of Transportation's (FDOT) planning and programs.¹¹ Annually, the Florida Legislature appropriates a portion of the State Transportation Trust Fund, specifically revenues collected from taxes on aviation fuel, to the State Aviation Program, which in part funds the SIS.¹² During the 2011 Regular Legislative Session, Space Florida was allocated \$16M dollars for infrastructure spending related to the spaceport launch complex and spaceport infrastructure projects.¹³

Inconsistent Definitions of Spaceport Infrastructure

Space Florida and FDOT work closely on SIS funding so no issues have arisen regarding the current statutory definition. However, Space Florida is interested in avoiding future issues of interpretation and to address federal definition issues.

Currently, Florida law uses the term 'spaceport launch facilities' and defines it to mean "industrial facilities . . . [including] any launch pad, launch control center, and fixed launch support equipment."¹⁴

Federally, the term 'launch support facilities' means "facilities located at launch sites or launch ranges that are required to support launch activities, including launch vehicle assembly, launch vehicle operations and control, communications, flight safety functions, payload operations, control and processing."¹⁵

Florida's current definition of 'spaceport launch facilities' uses outdated terminology and the proposed definition is intended to parallel the more broad federal definition of 'launch support facilities.'

Effect of Proposed Changes

The bill amends s. 331.303, F.S., to define the term 'launch support facilities' and to delete the term 'spaceport launch facilities.'

The new definition states:

"Launch support facilities" means facilities that are located at launch sites or launch ranges that are required to support launch activities, including launch vehicle assembly, launch vehicle operations and control, communications, and flight safety functions, as well as payload operations, control, and processing.

⁸ See information on Florida Department of Transportation's Strategic Intermodal System. This information can be accessed via the following link: <http://www.dot.state.fl.us/planning/sis/> (Last viewed 10/6/2011).

⁹ s. 339.62(3), F.S.

¹⁰ More specifically, 'spaceports' are considered transportation 'hubs' in the SIS Strategic Plan. See the Florida Department of Transportation's information on the SIS Strategic Plan, which in relevant part reads "Hubs are ports and terminals that move goods or people between Florida regions or between Florida and other markets in the United States and the rest of the world. These include airports, spaceports and interregional passenger terminals." This information can be accessed by clicking the link titled 'Adopted SIS criteria and thresholds' at <http://www.dot.state.fl.us/planning/sis/strategicplan/> (Last viewed 10/10/2011).

¹¹ See Florida Department of Transportation's information on 'Space Programs.' This information can be accessed via the following link: <http://www.dot.state.fl.us/aviation/space.shtm> (Last viewed 10/6/2011).

¹² s. 339.61(3), F.S.

¹³ Ch. 2011-69, Part 4, L.O.F., which states "[f]rom the funds in Specific Appropriation 1918B, \$16,000,000 from the State Transportation Trust Fund as proposed in the Transportation Work Program is provided to Space Florida for up to 100 percent of the non-federal share of the Spaceport Launch Complex and Spaceport Infrastructure Projects."

¹⁴ s. 331.303(17)

¹⁵ 51 USC § 50501 (formerly cited as 15 USC § 5802(7)).

Space Florida maintains that the effect of the proposed changes will allow for the following:

- The ability to better fund infrastructure upgrades and improvements to space-related facilities by using SIS monies more appropriately for space infrastructure projects not airport related;
- The alignment of federal and state definitions so that any future federal grants may qualify for the same projects.

According to Space Florida, a clear definition of spaceport infrastructure is critical to fulfilling all of the economic development needs of Florida's aerospace industry, and thus creating jobs in a variety of high-value-added sectors.¹⁶

B. SECTION DIRECTORY:

Section 1: Defines "Launch support facilities;" deletes "Spaceport launch facilities."

Section 2: Provides an effective date of July 1, 2012.

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:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable because this bill does not appear to: require the counties or cities to spend funds or take an action requiring the expenditure of funds; reduce the authority that cities or counties have to raise revenues in the aggregate; or reduce the percentage of a state tax shared with cities or counties.

¹⁶ See Space Florida's information on its 2012 Legislative Priorities. Information can be accessed at <http://www.spaceflorida.gov/legislative> (Last viewed 10/7/2011).

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

None.