

## HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

**BILL #:** HB 1367 Tampa Port Authority, Hillsborough County

**SPONSOR(S):** Young

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

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Local & Federal Affairs Committee	14 Y, 0 N	Dougherty	Rojas
2) Economic Affairs Committee	14 Y, 0 N	Creamer	Creamer

### SUMMARY ANALYSIS

This bill removes the requirement that the Tampa Port Authority approve any expenditure over \$15,000 made by the port director, allowing the port authority to establish port director spending policies.

The Port of Tampa is Florida's largest cargo port as measured by annual tons throughput, followed by the Port of Jacksonville. However, the Tampa port director is restricted to one of the lowest spending limits of all Florida ports at \$15,000. In comparison, the Jacksonville limit is \$250,000. Proponents of the bill claim this limitation hinders the Tampa port director's ability to respond efficiently to commercial opportunities as a vote must be held before any more than \$15,000 is spent.

The bill does not have a fiscal impact on state or local funds.

This takes effect upon becoming law.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

##### Present Situation

Chapter 95-488, L.O.F., as amended, contains the enabling legislation and serves as the governing document of the Tampa Port Authority in Hillsborough County, Florida. Section 4(i) requires that four of the seven members constituting the port authority board must affirmatively vote to allow

- (1) incurring indebtedness in excess of \$15,000,
- (2) spending any funds or money in excess of \$15,000, and
- (3) establishing policy for the port director's expenditure of funds.

The provision relating to spending limits the port director's ability to respond to commercial opportunities as a meeting must be called and vote held before the director may make a purchase or enter a contract over \$15,000. This spending limit was established in 1995. Furthermore, this provision may be interpreted as requiring four votes even if a policy has been adopted relating to the port director's spending limits.

Of Florida's 15 ports, the Port of Tampa has the highest annual volume of cargo throughput at 37.15 million tons, followed by the Port of Jacksonville with 23.21 million tons.<sup>1</sup> The Port of Tampa sees the fifth highest volume of cruise revenue passengers in the state.<sup>2</sup> The other ports most comparable to that of Tampa in terms of annual cargo amounts and cruise passengers are those in Miami, Jacksonville, and Everglades. The port directors at these facilities have significantly higher spending limits than the Tampa port director: Miami, \$5 million; Jacksonville, \$250,000; Everglades, \$250,000 (supplies) and \$100,000 (services).<sup>3</sup> Port Manatee is a Gulf port south of Tampa with a \$50,000 spending limit, 8.03 million tons of cargo annually, and no cruise passengers.

Spending limits vary widely throughout the state as the ports are structured differently, some being county entities (such as Port Everglades and Miami) and others are governed by local bill authorities (such as Tampa).

##### Effect of Proposed Changes

This bill amends ch. 95-488, L.O.F., by eliminating the requirement for four affirmative votes for port director expenditures in excess of \$15,000. This modification of the Tampa Port Authority Enabling Act leaves the four vote requirement for establishing port director spending policy, allowing the port authority to determine the spending limit instead of the Legislature. This bill does not change the procurement procedures involving notice and competitive bidding for purchases over \$15,000, but only removes the requirement of a favorable vote before the port director spends over \$15,000.

#### B. SECTION DIRECTORY:

**Section 1:** Amends ch. 95-488, L.O.F., as amended, removing language requiring an affirmative vote of the port authority to allow any expenditure in excess of \$15,000.

**Section 2:** Provides that the Act takes effect upon becoming a law.

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<sup>1</sup> <http://www.flaports.org>

<sup>2</sup> <http://www.flaports.org>

<sup>3</sup> Tampa Port Authority Board meeting document on "Proposed Change to Tampa Port Authority Enabling Act"

## II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes  No

IF YES, WHEN? February 3, 2013

WHERE? *The Times*, a daily published newspaper in Hillsborough 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:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

## IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

N/A