

## HOUSE OF REPRESENTATIVES STAFF FINAL BILL ANALYSIS

**BILL #:** HB 1375 Holmes, Jackson, and Washington Counties

**SPONSOR(S):** Drake

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

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**FINAL HOUSE FLOOR ACTION:** 117 Y's      0 N's      **GOVERNOR'S ACTION:** Approved

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### SUMMARY ANALYSIS

HB 1375 passed the House on March 4, 2020, and subsequently passed the Senate on March 11, 2020.

The Tri-County Airport Authority (Authority) was created in 1969. The Authority has the legal status of an independent special district as defined in s. 189.012, F.S. The Authority oversees the Tri-County Airport, a not-for-profit public airport located in Bonifay, Florida. The airport serves northwest Florida and southeast Alabama. The operational budget of the airport is paid for through the sale of fuel and through hanger rents. The Authority is prohibited from levying ad valorem taxes.

The Authority is comprised of a 15-member board chosen by the respective Boards of County Commissioners for Holmes, Washington, and Jackson counties. Not later than 15 days after the appointment of members, and each July thereafter, members must have an organizational meeting in order to elect a chair, vice-chair, and secretary-treasurer. The secretary-treasurer must give bond payable to the Governor in an amount and under certain conditions determined by the Authority.

The bill revises the Board of Directors (board) of the Authority. The bill reduces the membership of the board from 15 to nine members. The respective boards of county commissioners for Holmes, Washington, and Jackson counties each must appoint three members to serve staggered terms. The bill provides that within 60 days of the act taking effect, board members must be appointed for initial terms.

The bill changes the organizational meeting from 15 to 30 days after the initial appointment of members and changes the month for subsequent organizational meetings from July to October of each year. A majority of the members of the board constitutes a quorum, and an affirmative vote of a majority of the members present is necessary for any action taken by the board.

The bill revises officer positions by creating a separate treasurer position.

The Economic Impact Statement filed with the bill indicates that the bill does not have a fiscal impact on changing the board structure.

The bill was approved by the Governor on June 9, 2020, ch. 2020-198, L.O.F., and became effective on July 1, 2020.

## I. SUBSTANTIVE INFORMATION

### A. EFFECT OF CHANGES:

#### Current Situation

##### Special Districts

A “special district” is a unit of local government created for a particular purpose, with jurisdiction to operate within a limited geographic boundary.<sup>1</sup> Special districts are created by general law,<sup>2</sup> special act,<sup>3</sup> local ordinance,<sup>4</sup> or rule of the Governor and Cabinet.<sup>5</sup> A special district has only those powers expressly provided by, or reasonably implied from, the authority provided in the district’s charter. Special districts provide specific municipal services in addition to, or in place of, those provided by a municipality or county.<sup>6</sup>

A “dependent special district” is a special district where the membership of the governing body is identical to the governing body of a single county or municipality, all members of the governing body are appointed by the governing body of a single county or municipality, members of the district’s governing body are removable at will by the governing body of a single county or municipality, or the district’s budget is subject to the approval of the governing body of a single county or municipality.<sup>7</sup>

An “independent special district” is a special district that is not a dependent special district.<sup>8</sup> Additionally, a district that includes more than one county is an independent special district, unless that district lies wholly within a single municipality’s boundaries.<sup>9</sup>

Special districts do not possess “home rule” powers and may impose only those taxes, assessments, or fees authorized by special or general law. The special act creating an independent special district may provide for funding from a variety of sources while prohibiting others. For example, ad valorem tax authority is not mandatory for a special district.<sup>10</sup>

##### Tri-County Airport Authority

The Tri-County Airport Authority (Authority) was created in 1969 as a body corporate, an agency designed to accomplish the cooperative effort to establish and operate an airport near the county boundaries of Holmes, Washington, and Jackson Counties.<sup>11</sup> The Authority has the legal status of an independent special district as defined in s. 189.012, F.S. The Authority oversees the Tri-County Airport, a not-for-profit public airport located in Bonifay, Florida. The airport serves northwest Florida and southeast Alabama. The operational budget of the airport is paid for through the sale of fuel and through hanger rents.<sup>12</sup> The Authority is prohibited from levying ad valorem taxes.

The Authority is comprised of a 15-member board chosen by the respective boards of county commissioners for Holmes, Washington, and Jackson counties. Five members must be appointed by

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<sup>1</sup> S. 189.012(6), F.S.

<sup>2</sup> S. 189.031(3), F.S.

<sup>3</sup> *Id.*

<sup>4</sup> S. 189.02(1), F.S.

<sup>5</sup> S. 190.005(1), F.S. *See generally* s. 189.012(6), F.S.

<sup>6</sup> *2018-2020 Local Government Formation Manual*, p. 60,

<https://myfloridahouse.gov/Sections/Committees/committeesdetail.aspx?Committeeld=3025> (last visited Jan. 14, 2020).

<sup>7</sup> S. 189.012(2), F.S.

<sup>8</sup> S. 189.012(3), F.S.

<sup>9</sup> *Id.*

<sup>10</sup> Art. VII, s. 9(a), Fla. Const.

<sup>11</sup> Ch. 69-534, Laws of Fla.

<sup>12</sup> Tri-County Airport Authority, *About the Airport*, <https://tricityairportfl.com/about.htm> (last visited Jan. 14, 2020).

each county. Members serve for three-year terms and receive no compensation but are entitled reimbursement for travel expenses.<sup>13</sup>

Not later than 15 days after the appointment to the board, and each July thereafter, members must have an organizational meeting in order to elect a chair, vice-chair, and secretary-treasurer.<sup>14</sup> The Authority may only conduct business at a regularly called meeting of the members if a quorum is present and the minutes are recorded.

### **Effect of the Bill**

The bill reduces the number of board members from 15 to nine. The respective boards of county commissioners for Washington, Jackson, and Holmes counties must each appoint three members to the Authority.

Within 60 days of the effective date of the act, each county board of county commissioners must appoint members for initial terms to begin on a date certain. On that same date, all terms of the board members existing on July 1, 2020, will terminate. However, those members may continue to serve additional terms if reappointed by their respective county commissioners. Board members must serve staggered terms, with county commissioners appointing one member to serve an initial term ending on October 1, 2021, one member to serve an initial term ending on October 1, 2022, and one member to serve an initial term ending on October 1, 2023.

The bill changes the organizational meeting from 15 to 30 days after the initial appointment of members and changes the month for subsequent organizational meetings from July to October of each year. A majority of the members of the board constitutes a quorum, and an affirmative vote of a majority of the members present is necessary for any action taken by the board.

The bill revises the officers of the board by having separate secretary and treasurer positions. The treasurer must give a bond payable to the Governor in an amount and under certain conditions determined by the Authority.

The Economic Impact Statement indicates that the bill does not have a fiscal impact on changing the board structure.

## **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.

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<sup>13</sup> Ch. 69-534, s. 3, Laws of Fla.

<sup>14</sup> Ch. 69-534, s. 4, Laws of Fla.

2. Expenditures:

None.

C. ECONOMIC IMPACT STATEMENT FILED? Yes  No

D. NOTICE PUBLISHED? Yes  No

IF YES, WHEN? December 4, 2019

WHERE? *Washington County News*, a newspaper published in Chipley, Florida.  
*Jackson County Floridan*, a newspaper published in Marianna, Florida.  
*Holmes County Times-Advertiser*, a newspaper published in Bonifay, Florida.

E. REFERENDUM(S) REQUIRED? Yes  No

IF YES, WHEN?