

## HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

**BILL #:** CS/HB 1643 Mid-Bay Bridge Authority, Okaloosa County  
**SPONSOR(S):** Local Administration, Federal Affairs & Special Districts Subcommittee, Maney  
**TIED BILLS:** **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Local Administration, Federal Affairs & Special Districts Subcommittee	17 Y, 0 N, As CS	Mwakyanjala	Darden
2) State Affairs Committee	18 Y, 0 N	Mwakyanjala	Williamson

### SUMMARY ANALYSIS

A “special district” is a unit of local government created for a particular purpose, with jurisdiction to operate within a limited geographic boundary. A special district has only those powers expressly provided by, or reasonably implied from, the authority provided in the district’s charter. A “dependent special district” is a special district subject to significant control by the governing body of a single county or municipality. An “independent special district” is any district that is not a dependent special district.

The Mid-Bay Bridge Authority (Authority) is a dependent special district created by special act in 1986. The Authority was established for the purpose of planning, constructing, operating, and maintaining a bridge traversing Choctawhatchee Bay. The Authority is governed by a five-member board appointed by the Governor. The Florida Department of Transportation (FDOT) operates and maintains the bridge pursuant to a lease-purpose agreement with the Authority, paid via toll revenue. The Okaloosa County Board of County Commissioners approves the Authority’s annual budget for administrative expenses, FDOT operations, and maintenance.

The bill transitions the Authority from a dependent special district to an independent special district by removing the Okaloosa County Board of County Commissioners’ authority and duties pertaining to the Authority’s annual budget preparation, evaluation, and approval. The bill removes a provision in the charter dictating that the Authority’s fiscal year must be concurrent with Okaloosa County’s fiscal year.

The Economic Impact Statement filed with the bill states that the bill is not expected to have a fiscal impact.

# FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

### A. EFFECT OF PROPOSED CHANGES:

#### Present 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> A special district may be created by general law, special act, local ordinance, or rule of the Governor and Cabinet.<sup>2</sup> A special district has only those powers expressly provided by, or reasonably implied from, the authority provided in the district’s charter.<sup>3</sup> Special districts provide specific municipal services in addition to, or in place of, those provided by a municipality or county.<sup>4</sup>

A “dependent special district” is a special district meeting at least one of the following criteria:

- The membership of the district’s governing body is identical to the governing body of a single county or municipality;
- All members of the district’s 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 approval by the governing body of a single county or municipality.<sup>5</sup>

An “independent special district” is any district that is not a dependent special district or one that includes more than one county unless the district lies wholly within a single municipality.<sup>6</sup>

According to the Department of Economic Opportunity’s (DEO) Special District Accountability Program Official List of Special Districts (Official List of Districts), there are 1,930 special districts, including 1,314 independent special districts and 617 dependent districts.<sup>7</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>8</sup>

The maximum millage rate for an independent special district is the millage rate authorized by law and approved by the electors of the district in a referendum.<sup>9</sup>

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<sup>1</sup> S. 189.012(6), F.S. See also *Halifax Hospital Medical Center v. State of Fla., et al.*, 278 So. 3d 545, 547-48 (Fla. 2019).

<sup>2</sup> S. 189.012(6), F.S.

<sup>3</sup> See ss. 189.02(4)-(5) and 189.031(3), F.S. Counties and municipalities have “home rule” powers allowing them to enact ordinances not inconsistent with general or special law for governmental, corporate, or proprietary purposes. Special districts do not possess home rule powers and are permitted to impose only those taxes, assessments, or fees authorized by special or general law. See art. VIII, ss. 1(f) and (g), 2(b), s. 6(e), Fla. Const. and ss. 125.01 and 166.021, F.S. See also *Local Gov’t Formation Manual 62*, available at <https://myfloridahouse.gov/Sections/Committees/committeesdetail.aspx?Committeeid=3227> (last visited Mar. 24, 2023).

<sup>4</sup> *Local Gov’t Formation Manual* at 62.

<sup>5</sup> S. 189.012(2), F.S.

<sup>6</sup> S. 189.012(3), F.S. Independent special districts are created by the Legislature, unless another mechanism is authorized by general law. See, e.g. s. 190.005, F.S. (community development districts may be created by a county, municipality, or the Florida Land and Water Adjudicatory Commission, depending on the size and location of the district).

<sup>7</sup> Dept. of Economic Opportunity, Special Dist. Accountability Program, “Official List of Special Districts,” <https://www.floridajobs.org/community-planning-and-development/special-districts/special-district-accountability-program/official-list-of-special-districts> (last visited Mar. 24, 2023).

<sup>8</sup> See art. VII, s. 9(a), Fla. Const.

<sup>9</sup> See art. VII, s. 9(b), Fla. Const.

## Mid-Bay Bridge Authority

The Mid-Bay Bridge Authority (Authority) is a dependent special district created by special act in 1986.<sup>10</sup> The Authority's charter was recodified in 2000.<sup>11</sup> The Authority was established for the purpose of having the power to plan, construct, operate, and maintain a bridge traversing Choctawhatchee Bay.<sup>12</sup>

The Authority is governed by a five-member board appointed by the Governor. The District Engineer of the Florida Department of Transportation (FDOT) serves as an ex-officio member of the Authority with no voting power.<sup>13</sup>

The Authority has the power to fix, charge, and collect fees, tolls, rents and charges for the use of the bridge and associated facilities.<sup>14</sup> The Authority is authorized to issue bonds.<sup>15</sup> FDOT operates and maintains the bridge through a lease-purchase agreement with the Authority and is compensated from toll revenues.<sup>16</sup>

The Okaloosa County Board of County Commissioners approves the Authority's annual budget for administrative expense, FDOT operations, and maintenance.<sup>17</sup>

### **Effect of Proposed Changes**

The bill transitions the Authority from a dependent special district to an independent special district by removing the Okaloosa County Board of County Commissioners' authority and duties pertaining to the Authority's annual budget preparation, evaluation, and approval. The bill removes a provision in the charter dictating that the Authority's fiscal year must be concurrent with Okaloosa County's fiscal year.

According to the Economic Impact Statement, the bill is not expected to have a fiscal impact.

#### **B. SECTION DIRECTORY:**

Section 1: Amends ch. 2000-411, Laws of Fla., providing a charter for the Mid-Way Bridge Authority.

Section 2: Provides an effective date of July 1, 2023.

### **II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS**

A. NOTICE PUBLISHED? Yes  No

IF YES, WHEN? February 3, 2023.

WHERE? The *Northwest Florida Daily News*, a newspaper printed and published in Okaloosa County, Florida.

B. REFERENDUM(S) REQUIRED? Yes  No

IF YES, WHEN?

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<sup>10</sup> Ch. 86-465, Laws of Fla., amended by ch. 88-542, Laws of Fla.

<sup>11</sup> Ch. 2000-411, Laws of Fla.

<sup>12</sup> Mid-Bay Bridge Authority, *About the Mid-Bay Bridge Authority*, <https://www.mid-bay.com/about-us-2/mid-bay-bridge-authority/> (last visited Mar. 24, 2023).

<sup>13</sup> Ch. 2000-411, s. 3, Laws of Fla.

<sup>14</sup> Ch. 2000-411, s. 4, Laws of Fla.

<sup>15</sup> Ch. 2000-411, s. 8, Laws of Fla.

<sup>16</sup> Ch. 2000-411, s. 13, Laws of Fla.

<sup>17</sup> Ch. 2000-411, s. 6, Laws of Fla.

C. LOCAL BILL CERTIFICATION FILED? Yes [X] No []

D. ECONOMIC IMPACT STATEMENT FILED? Yes [X] No []

### III. COMMENTS

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

The bill does not provide rulemaking authority or require executive branch rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

### IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

On March 29, 2023, the Local Administration, Federal Affairs & Special Districts Subcommittee adopted one amendment and reported the bill favorably as a committee substitute. The committee substitute changes the effective date to July 1, 2023.

This analysis is drafted to the committee substitute as passed by the Local Administration, Federal Affairs & Special Districts Subcommittee.