

HOUSE OF REPRESENTATIVES STAFF FINAL BILL 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:**

FINAL HOUSE FLOOR ACTION: 115 Y's 0 N's **GOVERNOR'S ACTION:** Approved

SUMMARY ANALYSIS

CS/HB 1643 passed the House on April 27, 2023, and subsequently passed the Senate on May 4, 2023.

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.

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

The bill was approved by the Governor on June 21, 2023, ch. 2023-347, L.O.F., and will become effective on July 1, 2023.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF 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.¹ A special district may be created by general law, special act, local ordinance, or rule of the Governor and Cabinet.² A special district has only those powers expressly provided by, or reasonably implied from, the authority provided in the district’s charter.³ Special districts provide specific municipal services in addition to, or in place of, those provided by a municipality or county.⁴

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.⁵

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.⁶

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.⁷

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.⁸

¹ 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).

² S. 189.012(6), F.S.

³ 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?Committeed=3227> (last visited Mar. 24, 2023).

⁴ *Local Gov’t Formation Manual* at 62.

⁵ S. 189.012(2), F.S.

⁶ 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).

⁷ 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).

⁸ See art. VII, s. 9(a), Fla. Const.

Mid-Bay Bridge Authority

The Mid-Bay Bridge Authority (Authority) is a dependent special district created by special act in 1986.⁹ The Authority's charter was recodified in 2000.¹⁰ The Authority was established for the purpose of having the power to plan, construct, operate, and maintain a bridge traversing Choctawhatchee Bay.¹¹

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.¹²

The Authority has the power to fix, charge, and collect fees, tolls, rents and charges for the use of the bridge and associated facilities.¹³ The Authority is authorized to issue bonds.¹⁴ FDOT operates and maintains the bridge through a lease-purchase agreement with the Authority and is compensated from toll revenues.¹⁵

The Okaloosa County Board of County Commissioners approves the Authority's annual budget for administrative expense, FDOT operations, and maintenance.¹⁶

Effect of the Bill

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.

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.

⁹ Ch. 86-465, Laws of Fla., amended by ch. 88-542, Laws of Fla.

¹⁰ Ch. 2000-411, Laws of Fla.

¹¹ 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).

¹² Ch. 2000-411, s. 3, Laws of Fla.

¹³ Ch. 2000-411, s. 4, Laws of Fla.

¹⁴ Ch. 2000-411, s. 8, Laws of Fla.

¹⁵ Ch. 2000-411, s. 13, Laws of Fla.

¹⁶ Ch. 2000-411, s. 6, Laws of Fla.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

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

E. 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.

F. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN?