

STORAGE NAME: h1093.tr

DATE: March 27, 2000

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
TRANSPORTATION
ANALYSIS - LOCAL LEGISLATION**

BILL #: House Bill 1093

RELATING TO: Mid-Bay Bridge Authority, Okaloosa County

SPONSOR(S): Representative Melvin and others

TIED BILL(S): N/A

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) TRANSPORTATION
 - (2) COMMUNITY AFFAIRS
 - (3)
 - (4)
 - (5)
-

I. SUMMARY:

The bill codifies all prior special acts relating to the Mid-Bay Bridge Authority (Authority) in Okaloosa County into a single act.

The only major differences between current law and the bill's provisions relate to the lease-purchase agreement between the Authority and the Department of Transportation (DOT). The bill requires that the lease-purchase agreement provide for orderly repayment of any and all costs incurred by DOT in accordance with the terms of the agreement, rather than the expeditious repayment of any and all costs incurred by the DOT as provided in current law. The bill also makes no reference to pledged gas tax proceeds being used to repay DOT as provided in current law, but instead refers to "other sources available to the authority."

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- | | | | |
|-----------------------------------|------------------------------|-----------------------------|---|
| 1. <u>Less Government</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. <u>Lower Taxes</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. <u>Individual Freedom</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

B. PRESENT SITUATION:

The Mid-Bay Bridge Authority (Authority) was created in 1986 by special act of the Legislature as a dependent special district. The Authority's purpose is planning, constructing, operating and maintaining the Mid-Bay Bridge across Choctawhatchee Bay in Okaloosa County. The Authority constructed the bridge as a toll facility in 1993. The Authority has bonded indebtedness of \$102 million for revenue bonds issued to finance and to refinance construction of, and improvements to, the bridge system.

The Authority's control extends to its "system," which includes the bridge together with all additions, improvements, connections, extensions, streets, roads, and transportation facilities appurtenant thereto. The Authority currently charges a \$2 toll each way over the bridge, except that commuters are only charged \$1 each way. These tolls generated approximately \$6.2 million in system revenues for fiscal year 1998-99. Under a lease-purchase agreement, DOT pays all operation and maintenance costs of the Mid-Bay Bridge. The Authority is obligated to repay these costs when it has sufficient revenues. As of the end of fiscal year 1998-99, the Authority owed DOT \$4.7 million

Chapter 88-542, Laws of Florida, provides that the lease-purchase agreement between the Authority and DOT must provide for the expeditious repayment of any and all costs incurred by DOT resulting from the covenant to complete the project, and that repayment will be from excess tolls or pledged gas tax proceeds.

C. EFFECT OF PROPOSED CHANGES:

The bill codifies all prior special acts relating to the Mid-Bay Bridge Authority in Okaloosa County into a single act.

Besides deleting several obsolete provisions, the only major differences between current law and the bill's provisions relate to the lease-purchase agreement between the Authority and the Department of Transportation. The bill requires that the lease-purchase agreement provide for orderly repayment of any and all costs incurred by DOT in accordance with the terms of the agreement, rather than the expeditious repayment of any and all costs incurred by the DOT. The bill also makes no mention of pledged gas tax proceeds being used to repay DOT, but instead refers to "other sources available to the authority." The bill does not specify what sources are included in these "other sources" of funding.

D. SECTION-BY-SECTION ANALYSIS:

Section 1: Statement of Codification Intent.

Section 2: Codifies, reenacts, amends, and repeals special acts relating to the Mid-Bay Bridge Authority.

Section 3: Recreates and reenacts the Mid-Bay Bridge Authority:

Section 1: Purposes of Authority.

Section 2: Provides definitions.

Section 3: Provides for membership of the Authority.

Section 4: Grants powers necessary for the Authority to accomplish its purposes.

Section 5: Provides that members of the Authority do not receive salary or other compensation; provides reimbursements for reasonable costs and expenses incurred in performing duties.

Section 6: Provides budget procedures.

Section 7: Provides for reasonable notice of all meetings.

Section 8: Authorizes the Authority to issue revenue or refunding bonds.

Section 9: Provides that the State or Federal Government will not alter the Authority's rights regarding bonds or contracts with bondholders.

Section 10: Provides that powers granted by the act are supplemental to any other powers conferred by other laws, unless inconsistent.

Section 11: Directs DOT to cooperate with the Authority.

Section 12: Requires the Authority's financial records to be audited by an independent CPA at least once a fiscal year.

Section 13: Authorizes the Authority to enter into a lease-purchase agreement with the DOT.

Section 14: Declares that any bonds or other obligations are legal investments.

Section 4: Repeals all prior special acts relating to the Authority's charter.

Section 5: Provides for construction of the act's provisions.

Section 6: Provides severability clause.

Section 7: Provides for effect of act regarding conflicting laws.

Section 8: Provides effective date of upon becoming law.

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III. NOTICE/REFERENDUM AND OTHER REQUIREMENTS:

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? November 11, 1999

WHERE? Northwest Florida Daily News, Fort Walton Beach, Okaloosa 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

IV. COMMENTS:

A. CONSTITUTIONAL ISSUES:

N/A

B. RULE-MAKING AUTHORITY:

N/A

C. OTHER COMMENTS:

Compared with Chapter 86-465, Laws of Florida, as amended by Chapter 88-542, Laws of Florida, the bill omits the following text which should be inserted on page 7, at the end of line 22: authority in the ensuing year, exclusive of any bonds or other.

V. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

VI. SIGNATURES:

COMMITTEE ON TRANSPORTATION:

Prepared by:

Staff Director:

Phillip B. Miller

John R. Johnston