

**STORAGE NAME:** h0811s1.ric.doc

**DATE:** January 31, 2002

**HOUSE OF REPRESENTATIVES  
AS REVISED BY  
READY INFRASTRUCTURE COUNCIL  
ANALYSIS**

**BILL #:** CS/HB 811 (PCB SEC 02-18)

**RELATING TO:** Florida Seaport Transportation and Economic Development Program

**SPONSOR(S):** Council for Ready Infrastructure, Select Committee on Security, and Representative(s)  
Bense & others

**TIED BILL(S):**

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

- (1) SECURITY, SELECT YEAS 9 NAYS 0
- (2) TRANSPORTATION & ECONOMIC DEVELOPMENT APPROPRIATIONS YEAS 15 NAYS 0
- (3) READY INFRASTRUCTURE COUNCIL YEAS 17 NAYS 0
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- (5)

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I. SUMMARY:

This bill extends eligibility for Florida Seaport Transportation and Economic Development (FSTED) program funds to seaport security. Security measures that are eligible for the program are those that are prescribed by security plans that have been approved by the Florida Department of Law Enforcement (FDLE). Security infrastructure, such as equipment, is exempt from the 50-50 match requirement; however, seaports must meet the 50-50 match for funds that would be used for personnel. Eligibility for seaport security under the FSTED program expires June 30, 2004.

The bill provides that seaports that receive federal funds for infrastructure security improvements must reimburse the state. This provision does not have an expiration date.

The bill provides that this act shall take effect July 1, 2002.

This bill has an indeterminate fiscal impact.

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 checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input 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:

In 1990, the Legislature created the Florida Seaport Transportation and Economic Development Program (FSTED). The FSTED Program began with an annual \$8 million appropriation in grants, pursuant to s. 311.07(2), F.S. In recent years, the Legislature has been appropriating \$10 million for FSTED grants. The program is eligible to receive an additional \$25 million in bondable state revenues, on an annual basis.

State funding cannot exceed 50 percent of the total cost of an FSTED project. In order to be approved, a proposed project must be found consistent with the seaport’s comprehensive master plan and the appropriate local government’s comprehensive plan, be of demonstrable economic benefit to the state, and be found consistent with the Department of Transportation’s (DOT) adopted 5-year work program. Candidate projects to be financed through bondable funding must also meet statutory eligibility and consistency requirements. Waterside dredging-related improvements require a 75-percent state to 25-percent port or local government match. Off-port access improvements and on-port bonded projects require a minimum 50 percent contribution from recipient ports.

The FSTED Program is managed by the Florida Seaport Transportation and Economic Development Council (Council), which consists of the 14 deep-water port directors, the Executive Director of the Office of Tourism, Trade and Economic Development, and the Secretaries of the DOT and the Department of Community Affairs. The Council is responsible for preparing a 5-year Florida Seaport Mission Plan, which defines the goals and objectives of the seaports. Additionally, the FSTED Council meets semi-annually to review project applications submitted by each of the individual seaports and recommends which projects should be forwarded to the agencies for further review and possibly recommended for funding with state funds.

As Florida’s seaports have expanded—in size, in cargo moved, and in international importance—so have concerns about seaport security.

Florida is home to four of the 20 busiest container ports in the nation and the top three cruise ports in the world, so significant opportunities exist for drug smuggling, cargo theft, and other criminal activities. Recent assessments, including by the Interagency Commission on Crime and Security in U.S. Seaports, concluded that illegal drug trafficking is the single most prevalent crime problem in U.S. ports. In February, the Florida Office of Drug Control and the Florida Department of Law Enforcement (FDLE) completed their review of the preliminary security plans drafted by Florida

seaports, and issued a report summarizing the ports' security needs. These plans include security projects valued at an estimated \$45 million, some amount of which the ports would contribute.

In light of the terrorist attacks on September 11, 2001, seaport security concerning terrorism has become a great concern. Terrorists, weapons, and chemical agents could possibly enter the country through seaports.

**C. EFFECT OF PROPOSED CHANGES:**

The bill extends eligibility for Florida Seaport Transportation and Economic Development (FSTED) program funds to seaport security. Security measures that are eligible for the program are those that are prescribed by security plans that have been approved by FDLE. Security infrastructure, such as equipment, is exempt from the 50-50 match requirement; however, seaports must meet the 50-50 match for funds that would be used for personnel. Eligibility for seaport security under the FSTED program expires June 30, 2004.

The bill provides that seaports that receive federal funds for infrastructure security improvements must reimburse the state. This provision does not have an expiration date.

**D. SECTION-BY-SECTION ANALYSIS:**

This section need be completed only in the discretion of the Committee.

**III. 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:

The expenditures by local government are undetermined. However, if a seaport security project is approved under the Florida Seaport Transportation and Economic Development program, local government expenditures for such projects may be reduced due to the exemption from the 50-50 matching requirement for security infrastructure.

**C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

Indeterminate

D. FISCAL COMMENTS:

None

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require cities or counties to spend funds or to take actions requiring expenditure.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of a state tax shared with counties or municipalities.

V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

None

B. RULE-MAKING AUTHORITY:

This bill does not expand or reduce the rulemaking authority of any state agency.

C. OTHER COMMENTS:

None

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

On January 24, 2002, the Transportation and Economic Development Appropriations Committee added a strike-all amendment to conform the bill to the Senate Companion, SB 972 by Senator Brown-Waite. That amendment:

- Clarifies that security measures eligible for funding are those that are prescribed by security plans that have been approved by FDLE;
- Exempts security infrastructure, such as equipment, from the 50-50 match, and requires that seaports meet the 50-50 match for funds that would be used for personnel;
- Prescribes that the eligibility of seaport security projects, both infrastructure and personnel, in the FSTED program will expire June 30, 2004;
- Requires that any seaport that receives federal funds for infrastructure security improvements must reimburse the state. This provision does not expire.

VII. SIGNATURES:

READY INFRASTRUCTURE COUNCIL:

Prepared by:

C. Scott Jenkins

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Staff Director:

Thomas Randle/Richard Hixson

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AS REVISED BY THE COMMITTEE ON TRANSPORTATION & ECONOMIC DEVELOPMENT  
APPROPRIATIONS:

Prepared by:

Eliza Hawkins

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Staff Director:

Eliza Hawkins

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AS FURTHER REVISED BY THE READY INFRASTRUCTURE COUNCIL:

Prepared by:

C. Scott Jenkins

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Council Director:

Thomas J. Randle

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