

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: Transportation Committee

BILL: SB 2442

SPONSOR: Senator Siplin

SUBJECT: Osceola County Transportation

DATE: April 21, 2005

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Eichin</u>	<u>Meyer</u>	<u>TR</u>	Favorable
2.	_____	_____	<u>GO</u>	_____
3.	_____	_____	<u>CA</u>	_____
4.	_____	_____	<u>GE</u>	_____
5.	_____	_____	<u>TA</u>	_____
6.	_____	_____	_____	_____

I. Summary:

Senate Bill 2442 creates the Osceola County Expressway Authority (OCEA).

This bill creates Part X of chapter 348, Florida Statutes, consisting of the following sections: 348.9789, 348.9791, 348.9792, 348.9793, 348.9794, 348.9795, 348.9796, 348.9797, 348.9798, 348.9799, 348.98, 348.9801, 348.9802, 348.9803, and 348.9804

II. Present Situation:

Florida's expressway authorities are created in Ch. 348, F.S. Their purpose is to construct, maintain, and operate tolled transportation facilities complementing the State Highway System and the Florida Turnpike Enterprise. Bonds issued for expressway projects must comply with state constitutional requirements. The expressway authorities have boards of directors that typically include a combination of local-government officials and Governor appointees who decide on projects and expenditure of funds.

III. Effect of Proposed Changes:

Generally, the bill creates a new expressway authority, the OCEA, using existing express authority statutory language as boilerplate. The language creating the OCEA closely resembles that used to create the Orlando-Orange County Expressway Authority (Part V of chapter 348, F.S.).

The governing body of the authority will have five members consisting of: the chair of the county commission, the Florida Department of Transportation (FDOT) District Secretary, and three Osceola County citizens appointed by the Governor who may remove any member for

misconduct, malfeasance, misfeasance, or nonfeasance. No member of the governing body may be an officer or employee of Osceola County or any city within the county. Members are not compensated other than travel and other necessary expenses. The authority may hire an executive director and other staff.

The purpose of the authority is to develop, maintain, operate, own and lease as lessor, the Osceola County Expressway System and any appurtenant facilities. Lease or lease-purchase agreements may not exceed 40 years. The authority may charge a toll for use of the system and may delegate toll collection responsibility to the FDOT and may contract with Osceola County to operate a toll facility within the county. Transportation projects outside of Osceola County may be developed by the authority with the concurrence of the other county. The authority may not prohibit the construction of any road within the county without the consent of the County or affected municipality.

The authority may borrow money and issue revenue bonds to finance the expressway system. If approved by the Osceola County Commission, the authority may pledge a portion of county gasoline tax revenues to repay the revenue bonds. The authority must reimburse the county for any gas tax revenues it spends. Bonds may also be issued through the state Division of Bond Finance. No obligation of the authority may be deemed an obligation of the state. Bonds may not exceed 40 years maturation. The bill establishes remedies for bondholders. The bill ascribes the pledge of the state to refrain from limiting or altering the authority's rights and those of the FDOT until all bonds discharged. Bonds issued by the authority are legal investments.

The FDOT may be appointed by the authority an agent for construction of the expressway system. The authority may acquire public and private property and rights through gifts, purchase, condemnation, using the right of eminent domain. In acquiring property, the authority is not liable for preexisting soil or groundwater contamination due solely to its ownership. However, the authority may enter interagency agreements with the Department of Environmental Protection to assist in remediation of the contaminated property.

With the exception of any tax imposed by chapter 220, F.S., on interest, income, or profits on debt obligations, the authority is exempt from taxation of any kind. Pledges of rates, fees, revenues, tax funds or other funds by the FDOT to the authority may be enforceable in any court.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

Transportation facilities developed by the authority will likely require a toll to be paid by drivers electing to travel on the facility.

C. Government Sector Impact:

The fiscal impact to FDOT is unknown at this time, as no projects (or project details) have been identified and no lease-purchase agreement provisions have been formulated. While the exact amount is unknown, FDOT expects the authority, if created, will request loans from the Toll Facilities Revolving Trust Fund to fund early studies and related costs. Then, should a project move forward, loans may be requested from the State-funded Infrastructure Bank to pay part or all of the cost of construction, and possibly a request for advances from the State Transportation Trust Fund to pay for ongoing operation and maintenance of the system to be repaid from excess toll revenues in the future.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Summary of Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
