HOUSE OF REPRESENTATIVES FINAL BILL ANALYSIS

BILL #: HB 485

SPONSOR(S): Ingram

FINAL HOUSE FLOOR ACTION:

108 **Y's** 2 N's

COMPANION N/A BILLS:

GOVERNOR'S ACTION: Approved

SUMMARY ANALYSIS

HB 485 passed the House on April 24, 2015, and subsequently passed the Senate on April 29, 2015.

The Escambia County Board of County Commissioners may authorize a monthly expense allowance of up to \$400 to members of the Santa Rosa Island Authority (Authority) for the purpose of conducting the duties of their office. The Santa Rosa Island Authority, an independent special district in Escambia County created by special act in 1947, guides the development of Pensacola Beach by leasing property on the island to individuals and businesses. The Authority is fully funded by rental fees.

The bill increases the authorized maximum monthly expense allowance for Authority members from \$400 to \$550 and allows for up to an additional \$100 for the chair of the Authority. The bill also clarifies that the monthly expense allowance is the only compensation members of the Authority board are eligible to receive for their services. The Santa Rosa Island Authority has budgeted for the increase for the current fiscal year.

The bill is projected to cost \$12,000 per fiscal year.

The bill was approved by the Governor on June 10, 2015, ch. 2015-183, L.O.F., and became effective on that date.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

Present Situation

The Santa Rosa Island Authority (Authority) is an independent special district¹ created by special act in 1947 to construct public infrastructure, adopt and enforce rules concerning building, health, and safety, and lease property on the portions of Santa Rosa Island owned by Escambia County.² The portions of the island governed by the Authority were previously owned by the federal government, but were transferred to Escambia County in 1946 to use or lease in a manner consistent with the public interest.³ The area today is synonymous with the unincorporated community of Pensacola Beach, which has 2,738 residents⁴ and is a significant tourist destination.⁵

The Authority is currently governed by a six member board.⁶ Five of the seats are filled by members selected by the Escambia County Board of County Commissioners.⁷ Each member of the commission selects one member, subject to approval by a majority vote of the commissioners.⁸ The final member is selected by the voters of Santa Rosa Island in a non-partisan election.⁹ The elected member must be both a resident and leaseholder on Santa Rosa Island.¹⁰

All land on the island is owned by Escambia County under the 1946 conveyance.¹¹ The Authority leases property on the island to individuals and businesses.¹² The Authority is fully funded by fees collected from the rentals.¹³ The rental fees generated \$8,084,978 in revenue for the fiscal year concluding September 30, 2014.¹⁴ Over the same period, the Authority spent \$5,963,462 on operating expenses and \$1,076,989 on bond payments.¹⁵

The Authority is required to submit an annual budget report to the Escambia County Board of County Commissioners.¹⁶ The budget does not require approval by the commission, with the Authority possessing responsibility for determining if excess revenues should be paid to Escambia County's general revenue fund.¹⁷

Under current law, the members of the Authority are entitled to an expense allowance for attending to Authority business.¹⁸ The allowance is set by the Escambia County Board of County Commissioners,

¹ See S. 189.012(3), F.S. (defining independent special district as any special district that is not a dependent special district under s. 189.012(2), F.S.). The Authority, with a membership of elected and appointed officials and having budgetary independence, does not meet any of the criteria for a dependent special district.

² Ch. 47-24500, Laws of Fla.

³ Pub. L. No. 79-564, H.R. 4486, 79th Cong. (July 30, 1946).

⁴ U.S. Census Bureau, *Demographic Profiles for Places in Florida*, available at <u>http://quickfacts.census.gov/cgi-bin/qfd/demolink?12</u> (last visited May 4, 2015).

⁵ Pensacola Bay Area Convention & Visitors Bureau, *Visit Pensacola: Pensacola Beach and Perdido Key*, <u>http://www.visitpensacola.com/</u> (last visited May 4, 2015).

⁶ Ch. 83-407, Laws of Fla.

⁷ Ch. 47-24500, Laws of Fla.

⁸ Ch. 70-680, Laws of Fla.; the Board of County Commissioners of Escambia County contains five members.

⁹ Ch. 83-407, Laws of Fla.

 $^{^{10}}$ *Id*.

¹¹ See Pub. L. No. 79-564, H.R. 4486, 79th Cong. (July 30, 1946).; see also State v. Escambia County, 52 So. 2d 125 (Fla. 1951). ¹² Santa Rosa Island Authority, What We Do, http://sria-fla.com/what-we-do.php (last visited May 4, 2015).

¹³ Santa Rosa Island Authority, *Who We Are*, http://sria-fla.com/who-we-are.php (last visited May 4, 2015).

¹⁴ Santa Rosa Island Authority, November 19, 2014 Committee Meeting Agenda/BU, pp. 19-28, available at http://sria-

fla.com/admin/documents/november 19 2014 committee meeting agenda and backup.pdf (last visited May 4, 2015).

¹⁵ Id.

¹⁶ Ch. 47-24500, Laws of Fla.

 $^{^{17}}_{10}$ Id.

¹⁸ Ch. 47-24500, *as amended by* Ch. 84-426, Laws of Fla.

but may not exceed \$400 per month, including travel expenses.¹⁹ Under the initial charter, members were entitled to receive all "necessary expenses" incurred in the conduct of their duties.²⁰ The expense allowance was first capped in 1975, at \$250 per month,²¹ before being increased to \$400 in 1984.²² The expense allowance is provided to Authority members as a per diem. Members of the Authority are not otherwise entitled to compensation for their services.²³

Effect of Bill

The bill would increase the maximum authorized monthly allowance amount for members of the Santa Rosa Island Authority from \$400 per member to \$550. The bill also permits the Escambia County Board of County Commissioners to provide an additional \$100 per month expense allowance for the chair of the Authority.

The bill also clarifies that the monthly expense allowance is the only compensation members of the Authority board are eligible to receive for their services.

II. FISCAL ANALYSIS, ECONOMIC IMPACT STATEMENT, & NOTICE/REFERENDUM

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

The bill is projected to increase compensation expense for the Santa Rosa Island Authority by \$12,000 per year.

- C. ECONOMIC IMPACT STATEMENT FILED? Yes [x] No []
- D. NOTICE PUBLISHED? Yes [x] No []
 - IF YES, WHEN? November 24, 2014
 - WHERE? *Pensacola News Journal*, a daily newspaper of general publication published in Escambia County.
- E. REFERENDUM(S) REQUIRED? Yes [] No [x]

¹⁹ Ch. 84-426, Laws of Fla.

²⁰ Ch. 47-24500, Laws of Fla.

²¹ Ch. 75-366, Laws of Fla.

²² Ch. 84-426, Laws of Fla.

²³ Ch. 47-24500, Laws of Fla.