

Committee on Commerce and Tourism

HB 7077 — Gulf Coast Economic Corridor

by Select Committee on Triumph Gulf Coast and Rep. Trumbull (CS/CS/SB 364 by Appropriations Committee; Commerce and Tourism Committee; and Senators Gainer, Broxson, and Montford)

The bill establishes a mechanism for 75 percent of the settlement funds received by the state, pursuant to Florida's claims for economic damages caused by the Deepwater Horizon oil spill, to be appropriated to Triumph Gulf Coast, Inc. (Triumph Gulf Coast). The bill also amends provisions related to the operation of Triumph Gulf Coast. The bill:

- Requires 75 percent of the settlement funds currently held in General Revenue to be immediately transferred to the trust account established by Triumph Gulf Coast, and 40 percent of those funds must be allocated by Triumph Gulf Coast to awards within each of the disproportionately affected counties, so that projects and programs within each county are awarded at least 5 percent of the allocated funds;
- Requires 75 percent of the subsequent settlement payments to be transferred to the Triumph Gulf Coast Trust Fund and released to the trust account established by Triumph Gulf Coast within 30 days of the transfer, and 32 percent of those funds must be allocated by Triumph Gulf Coast to awards within each of the disproportionately affected counties, so that projects and programs within each county are awarded at least 4 percent of the allocated funds;
- Provides that the board of county commissioners of each disproportionately affected county must solicit other elected local government boards for projects and programs within their county;
- Requires each board of county commissioners to provide Triumph Gulf Coast with a list of proposed projects and programs within their county, including those submitted by other local governing boards, and those recommended by the board of county commissioners;
- Adds two members to the board of directors of Triumph Gulf Coast, with the Senate President and the Speaker of the House of Representatives each appointing an individual from one of the lesser populated counties within the disproportionately affected counties;
- Provides that Triumph Gulf Coast may invest surplus funds in the Local Government Surplus Funds Trust Fund, and requires the interest earned net of fees to be transferred monthly into the Triumph Gulf Coast Trust Fund;
- Limits the allowable cost of administrative fees to 0.75 percent of the funds available for use by Triumph Gulf Coast;
- Limits the annual salary of any employee or contracted staff of Triumph Gulf Coast to \$130,000, and provides that associated benefits may not exceed 35 percent of the salary;
- Requires Triumph Gulf Coast board members appointed on or after July 1, 2017, to refrain from having any direct interest in awards made by Triumph Gulf Coast for a duration of 6 years after serving on the board of directors;
- Requires Triumph Gulf Coast to publish on a website its intent to approve an award and a project summary at least 14 calendar days prior to approving an award;

- Clarifies awards may be made for ad valorem tax rate reduction and public infrastructure projects for construction, expansion, or maintenance;
- Amends the types of projects that are eligible for award funding and the factors for prioritizing the projects; and
- Provides that an award may supplement but not supplant existing funding sources.

For Fiscal Year 2016-2017, the bill transfers approximately \$300 million from the General Revenue Fund to the Triumph Gulf Coast Trust Fund and releases those funds to Triumph Gulf Coast.

If approved by the Governor, these provisions take effect upon becoming law.

Vote: Senate 35-0; House 119-0