

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

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

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Prepared By: The Professional Staff of the Committee on Transportation

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BILL: SB 752

INTRODUCER: Senator Flores

SUBJECT: Financing of Fixed-guideway Public Transit Projects

DATE: March 21, 2017

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Price	Miller	TR	<b>Pre-meeting</b>
2.			ATD	
3.			AP	

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**I. Summary:**

SB 752 revises the maximum percentage of funding the Florida Department of Transportation (FDOT) may provide for certain phases of fixed-guideway projects that are not approved for federal funding.

The fiscal impact on state and local governments is indeterminate. See Section V., “Fiscal Impact Statement,” for details.

The bill takes effect July 1, 2017.

**II. Present Situation:**

Section 341.041(1), F.S., charges the FDOT with developing a statewide plan that provides for public transit needs at least five years in advance and sets out a number of program objectives related to the FDOT’s transit responsibilities.

Section 341.051, F.S., requires the FDOT to prepare a public transit<sup>1</sup> plan, which must be included in the FDOT’s tentative work program.<sup>2</sup> The FDOT’s annual appropriation request for

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<sup>1</sup> “Public transit” is defined to mean “the transporting of people by conveyances, or systems of conveyance, traveling on land or water, local or regional in nature, and available for use by the public. Public transit systems may be either governmentally owned or privately owned. Public transit specifically includes those forms of transportation commonly known as ‘paratransit.’” “Paratransit” is defined to mean “those elements of public transit which provide service between specific origins and destinations selected by the individual user with such service being provided at a time that is agreed upon by the user and the provider of the service. Paratransit service is provided by taxis, limousines, ‘dial-a-ride’ buses, and other demand-responsive operations that are characterized by their nonscheduled, nonfixed route nature.” Section 341.051(5) and (6), F.S.

<sup>2</sup> The FDOT is responsible for developing a five-year plan of transportation projects. Each of the FDOT’s districts develops a “district work program,” which is a five-year listing of transportation projects planned for each fiscal year, and submits it to the FDOT’s central office for review. The central office then develops a “tentative work program” (TWP) based on the

public transit funds must be based on the funding required for the plan and must identify each project calling for a state expenditure of \$500,000 or more. Certain projects must be individually identified in the appropriation request, with a breakdown of funds showing capital and operating expense. Unless otherwise authorized, the FDOT is prohibited from entering into any agreement for a public transit project resulting in the ultimate expenditure or commitment of state funds in excess of \$5 million.<sup>3</sup>

Any project necessary to meet the program objectives identified in s. 341.041, F.S., that conforms to s. 341.051, F.S., and that is contained in the local transportation improvement program and the FDOT's adopted work program is eligible for state funding.<sup>4</sup> However, the project must be one of the types of projects identified in s. 341.051(4)(a)1, F.S. The level of the FDOT's authority to participate in project funding varies by project type.<sup>5</sup>

Section 341.051(5)(a), F.S., authorizes the FDOT to fund up to 50% of the nonfederal share of the costs, not to exceed the local share, of any eligible public transit capital project<sup>6</sup> or commuter assistance project<sup>7</sup> that is local in scope. Typically, for federally funded projects, the Federal Transit Administration participates in 50% of these capital costs, with FDOT and local funding participation at 25%. However, the FDOT's participation in the final design, right-of-way acquisition, and construction phases of an individual fixed-guideway project *not* approved for federal funding may not exceed 12.5% of the total cost of each phase.<sup>8</sup>

With limited exception, the FDOT administers these fixed-guideway projects in accordance with federal requirements for funding. Even if a project does not initially receive federal funding, advancing a project in accordance with federal requirements keeps open the potential for federal funds at later stages of the project. Due to limited resources, however, not all projects receive federal funding, even if the project was implemented from its beginning in a fashion consistent with federal requirements.

Some local entities are involved in ongoing efforts to develop transit alternatives. For example, the Strategic Miami Area Rapid Transit Plan, developed by Miami-Dade County and adopted by the Miami-Dade Metropolitan Planning Organization, is a plan to advance six rapid transit corridors to the project development and environmental study phase to determine the costs and

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district work programs. The TWP is a future five-year listing of all projects planned for each fiscal year, setting forth all projects by phase to be undertaken during the ensuing fiscal year and planned for the successive four fiscal years. On July 1 of each year, the FDOT adopts the "adopted work program," which is the five-year listing of all projects planned for each fiscal year, including the current fiscal year. *See* s. 339.135, F.S.

<sup>3</sup> Section 341.051(3), F.S.

<sup>4</sup> Section 341.051(4), F.S.

<sup>5</sup> The project types are service or transportation facilities provided by the FDOT, a public transit capital project, a commuter assistance project, a public transit service development project, an intercity bus service capital project, an intercity bus service project, or a transit corridor project. Section 341.051(4)(a)1., F.S.

<sup>6</sup> A "public transit capital project" is "a project undertaken by a public agency to provide public transit to its constituency, and is limited to acquisition, design, construction, reconstruction, or improvement of a governmentally owned or operated transit system." Section 341.031(7), F.S.

<sup>7</sup> The "commuter assistance program" is "financial and technical assistance by the department to promote alternatives to the use of automobiles by a single commuter." Program areas include ridesharing, transportation demand management, and transportation management association. Section 341.031(9), F.S.

<sup>8</sup> Section 341.051(5)(a), F.S.

potential sources of funding for the project.<sup>9</sup> The FDOT advises it is not reasonable to expect federal participation on more than one or two of these corridors, and, “The local position is that FDOT should still be authorized to provide the same amount to the project as if there was federal money included in the project.” Otherwise, the differing participation levels, depending on whether a project is federally funded, penalize local efforts to advance projects with local funds, instead of supporting the commitment of local funds.<sup>10</sup>

### **III. Effect of Proposed Changes:**

The bill amends s. 341.051(5)(a), F.S., to revise the level of FDOT funding participation in the final design, right-of-way acquisition, and construction phases of an individual fixed-guideway project not approved for federal funding from an amount not exceeding 12.5% of the total cost of each phase, to an amount not exceeding 25% of such cost. If enacted, the FDOT’s authorized funding participation of up to 25% would be the same as the FDOT might contribute on a federally funded project. Local funding would replace the typical federal share.

### **IV. Constitutional Issues:**

#### **A. Municipality/County Mandates Restrictions:**

None.

#### **B. Public Records/Open Meetings Issues:**

None.

#### **C. Trust Funds Restrictions:**

None.

### **V. Fiscal Impact Statement:**

#### **A. Tax/Fee Issues:**

None.

#### **B. Private Sector Impact:**

To the extent that the bill’s provisions result in more public transit projects, users of public transit and users of roadways may experience increased mobility, reduced roadway congestion and vehicle emissions, and associated benefits.

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<sup>9</sup> See the Miami-Dade County website available at: <http://www.miamidade.gov/citt/smart-plan.asp/> (Last visited March 15, 2017.)

<sup>10</sup> See the FDOT’s analysis of SB 752. (On file in the Senate Transportation Committee.)

C. Government Sector Impact:

The FDOT advises an indeterminate increase in expenditures is expected if the FDOT increases funding participation from the current level.<sup>11</sup>

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill amends the following sections of the Florida Statutes: 341.051.

**IX. Additional Information:**

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

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This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

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<sup>11</sup> *Id.*