By the Committee on Transportation; and Senator Broxson

A bill to be entitled
An act relating to the Garcon Point Bridge; creating s. 338.168, F.S.; authorizing the Department of Transportation to acquire the Garcon Point Bridge and related assets and purchase or retire specified outstanding bonds; authorizing the department to enter into any agreements necessary to implement the acquisition and purchase or the retirement of the bonds; authorizing the department to specify the terms and conditions of such agreements; requiring that the bridge be owned by the department and become part of the State Highway System upon acquisition, if acquired under s. 338.168, F.S.; authorizing the issuance of bonds to finance the department’s acquisition of the bridge consistent with the department’s existing bonding authority; requiring such bonds to be issued in accordance with the state’s debt management policies to the extent practicable; providing for the termination of a certain lease purchase agreement upon the department’s acquisition of the bridge; requiring the department to determine the price for acquisition of the bridge; authorizing the department to base the price on specified considerations; requiring that the acquisition price paid by the department first be used to settle all claims of specified bondholders; prohibiting the Santa Rosa Bay Bridge Authority, the department, or the trustee for the bondholders from imposing certain toll rate increases; prohibiting the department and the state from incurring financial...
obligations in excess of forecasted gross revenues from the operation of the bridge; providing for the calculation of the maximum total acquisition price that may be paid by the department; providing that the powers conferred are in addition and supplemental to existing powers of the department; providing for construction; repealing part IV of ch. 348, F.S., relating to the Santa Rosa Bay Bridge Authority, upon the department’s acquisition of the bridge under s. 338.168, F.S.; amending s. 338.2275, F.S.; deeming acquisition of the bridge to meet the definition of economic feasibility under s. 338.221(8), F.S.; authorizing the department to acquire the Garcon Point Bridge and related assets and purchase or retire specified outstanding bonds; authorizing the department to enter into any agreements necessary to implement the acquisition, including the purchase or retirement of the bonds; authorizing the department to specify the terms and conditions of such agreements; requiring that the bridge become part of the turnpike system upon acquisition if acquired under s. 338.2275, F.S.; authorizing the issuance of revenue bonds to finance the department’s acquisition of the bridge; authorizing a portion of such bonds to be limited financial obligations of the department payable only to a certain extent; authorizing the department to agree to continue maintaining the bridge in a specified manner if such limited financial obligations are issued; requiring the acquisition price paid by
 CODING: Words stricken are deletions; words underlined are additions.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 338.168, Florida Statutes, is created to read:

the department to first be used to settle all claims of specified bondholders; prohibiting the authority, the department, or the trustee for the bondholders from imposing certain toll rate increases; prohibiting the department and the state from incurring financial obligations in excess of forecasted gross revenues from the operation of the bridge; providing for the calculation of the maximum total acquisition price that may be paid by the department; providing for the termination of a certain lease purchase agreement upon the department’s acquisition of the bridge; providing that the powers conferred are in addition and supplemental to existing powers of the department; providing for construction; repealing part IV of ch. 348, F.S., relating to the Santa Rosa Bay Bridge Authority, upon the department’s acquisition of the bridge under s. 338.2275, F.S.; providing legislative intent; authorizing the department to implement the acquisition of the Garcon Point Bridge pursuant to the grant of authority contained in either s. 338.168, F.S. or s. 338.2275(4), F.S.; requiring the department to give preference to implementation of the acquisition in the manner which is in the best interest of the public; providing an effective date.
338.168 Garcon Point Bridge; acquisition by the department; bonds; complete and additional authority.—

(1) The department may acquire the Garcon Point Bridge, including related assets, and, as part of such acquisition, may purchase or retire outstanding Santa Rosa Bay Bridge Authority bonds. The department may enter into any agreements necessary to implement the acquisition, including the purchase or retirement of Santa Rosa Bay Bridge Authority bonds, and may specify the terms and conditions of such agreements. Upon its acquisition by the department, the Garcon Point Bridge shall be owned by the department and become part of the State Highway System.

(2) The issuance of bonds to finance the department’s acquisition of the Garcon Point Bridge, consistent with the department’s existing bonding authority, is approved. To the extent practicable, any such bonds must be issued in accordance with the state’s debt management policies.

(3) Upon acquisition of the Garcon Point Bridge as authorized in this section, the lease purchase agreement dated October 23, 1996, between the Santa Rosa Bay Bridge Authority and the department, as amended, is terminated.

(4) The price paid by the department for the acquisition shall be determined by the department and may be based on, but not be limited to, the following considerations:

(a) Current and expected toll revenues.

(b) Current debt owed by the Santa Rosa Bay Bridge Authority to the department for operations and maintenance expenses of the bridge, and such expected future expenses.

(c) The outstanding bonded indebtedness of the Santa Rosa Bay Bridge Authority.
(d) The cost of determining the remaining useful life of the bridge.

(e) Future bridge repair or replacement costs, including labor, materials, machinery, and equipment.

(f) Any engineering and legal expenses and charges.

(g) The cost of issuance of any bonds and all other expenses of issuance of bonds.

(h) Any financing charges.

(i) The creation of initial reserve and debt service funds.

(j) Administrative expenses.

(k) Such other expenses as may be necessary or incidental to the acquisition authorized in this section or to future bridge repair or replacement costs, or to the financing thereof.

(5) The acquisition price paid by the department must first be used to settle all claims of the bondholders of Santa Rosa Bay Bridge Authority Revenue Bonds, Series 1996.

(6) The authority, the department, or the trustee for the bondholders may not impose a toll rate increase for use of the Garcon Point Bridge in connection with the acquisition of the bridge by the department. Following acquisition of the bridge by the department, no increase in tolls for use of the bridge is permitted except as required by law or as required to comply with the covenants contained in any resolution under which bonds have been issued.

(7) Neither the department nor the state shall incur any financial obligation for the acquisition of the Garcon Point Bridge in excess of forecasted gross revenues from the operation of the bridge. Therefore, the total acquisition price paid by the department may not exceed the present value of the gross
revenues, calculated without any increase in the toll rate, which are anticipated to be collected from the operation of the bridge between the date of any purchase agreement entered into in accordance with this section and the end of the anticipated remaining useful life of the bridge as it exists as of the date of the purchase agreement.

(8) The powers conferred by this section shall be in addition and supplemental to the existing powers of the department, including s. 338.2275(4). This section shall not be construed as repealing any of the provisions of any other law, general, special, or local; or to supersede, repeal, rescind, or modify any other law or laws relating to the department, the State Board of Administration, or the Florida Turnpike Enterprise Law, ss. 338.22-338.241; but shall supersede such other law or laws as are inconsistent with the provisions of this section.

Section 2. Upon acquisition of the Garcon Point Bridge by the department as authorized by s. 338.168, part IV of chapter 348, Florida Statutes, consisting of ss. 348.965-348.9781, Florida Statutes, is repealed.

Section 3. Subsection (4) is added to section 338.2275, Florida Statutes, to read:

338.2275 Approved turnpike projects.—

(4)(a) As directed by the Legislature, the department has conducted a feasibility study relating to the acquisition of the Garcon Point Bridge which the Legislature deems to satisfy the definition of economic feasibility in s. 338.221(8). Accordingly, the department may acquire the Garcon Point Bridge, including related assets, and, as part of such acquisition, may
purchase or retire outstanding Santa Rosa Bay Bridge Authority bonds. The department may enter into any agreements necessary to implement the acquisition, including the purchase or retirement of Santa Rosa Bay Bridge Authority bonds, and to specify the terms and conditions of such agreements. Upon its acquisition by the department, the Garcon Point Bridge shall become a part of the turnpike system. Pursuant to s. 11(f), Art. VII of the State Constitution, the issuance of revenue bonds to finance the department’s acquisition of the Garcon Point Bridge is approved. A portion of such revenue bonds may be limited financial obligations of the department payable only to the extent that the gross revenues from the operation of the bridge following acquisition by the department exceed the debt service on the other revenue bonds issued to finance the acquisition of the bridge. If limited obligations are issued, the department may agree to continue maintaining the bridge in a manner consistent with its covenants in the lease purchase agreement.

(b) The acquisition price paid by the department must first be used to settle all claims of bondholders of Santa Rosa Bay Bridge Authority Revenue Bonds, Series 1996.

(c) The authority, the department, or the trustee for bondholders may not impose a toll rate increase for use of the Garcon Point Bridge in connection with the acquisition of the bridge by the department. Following acquisition of the bridge by the department, no increase in tolls for use of the bridge is permitted except as required by law or as required to comply with the covenants contained in any resolution under which bonds have been issued.

(d) Neither the department nor the state shall incur any
financial obligation for the acquisition of the Garcon Point Bridge in excess of forecasted gross revenues from the operation of the bridge. Therefore, the total acquisition price paid by the department may not exceed the present value of the gross revenues, calculated without any increase in the toll rate, which are anticipated to be collected from the operation of the bridge between the date of any purchase agreement entered into in accordance with this section and the end of the anticipated remaining useful life of the bridge as it exists as of the date of the purchase agreement.

(e) Upon acquisition of the Garcon Point Bridge as authorized by this subsection, the lease purchase agreement dated October 23, 1996, between the authority and the department, as amended, is terminated.

(f) The powers conferred by this subsection shall be in addition and supplemental to the existing powers of the department, including s. 338.168. This section shall not be construed as repealing any of the provisions of any other law, general, special, or local; or to supersede, repeal, rescind, or modify any other law or laws relating to the department, the State Board of Administration, or the Florida Turnpike Enterprise Law, ss. 338.22-338.241; but shall supersede such other law or laws as are inconsistent with the provisions of this section.

Section 4. Upon acquisition of the Garcon Point Bridge by the department as authorized by s. 338.2275(4), Florida Statutes, part IV of chapter 348, Florida Statutes, consisting of ss. 348.965-348.9781, Florida Statutes, is repealed.

Section 5. It is the intent of the Legislature in passing
this act that the department exercises its transportation
responsibilities and expertise in selecting implementation of
the acquisition of the Garcon Point Bridge through the authority
granted in s. 338.168, Florida Statutes, or in s. 338.2275(4),
Florida Statutes, created by this act. Accordingly, the
department may implement the acquisition of the Garcon Point
Bridge pursuant to the grant of authority contained in either s.
338.168, Florida Statutes, or s. 338.2275(4), Florida Statutes,
giving preference to implementation in the manner which is in
the best interest of the public.

Section 6. This act shall take effect upon becoming a law.