

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/CS/HB 385 Transportation

SPONSOR(S): Ways & Means Committee, Transportation & Infrastructure Subcommittee, Avila

TIED BILLS: IDEN./SIM. BILLS: SB 898

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Transportation & Infrastructure Subcommittee	15 Y, 0 N	Johnson	Vickers
2) Ways & Means Committee	17 Y, 0 N, As CS	Curry	Langston
3) State Affairs Committee			

SUMMARY ANALYSIS

The bill relates to transportation. In summary, the bill:

- Repeals the Florida Expressway Authority Act, thus repealing the Miami-Dade County Expressway Authority (MDX) and the ability for any county to create an expressway authority by resolution.
- Transfers MDX's assets and liabilities, including all of its toll facilities, to the Department of Transportation (DOT).
- Provides certain terms and conditions governing the transfer of MDX assets and liabilities to DOT.
- Prohibits DOT from collecting tolls on the former MDX facilities following the discharge of outstanding bond obligations.
- Moves existing public-private partnership provisions from the Florida Expressway Authority Act to individual expressway authority statutes. The bill does not change any of the existing requirements for public private partnerships.
- Moves a provision, but does not change the requirements, regarding financial disclosures filed by board members of certain expressway, bridge, and regional transportation authorities.
- Revises the authorized uses for the Charter County and Regional Transportation System Surtax for Miami-Dade County.
- Reenacts and makes permanent the Rebuilt Motor Vehicle Inspection Program in Miami-Dade County that was repealed July 1, 2018.
- Requires DOT to approve the design plans of any transportation project, regardless of funding source, impacting its right-of-way.
- Authorizes certain innovative transportation projects and techniques.
- Requires DOT to program all of the turnpike toll revenue collected in Miami-Dade, Broward, and Palm Beach Counties for projects in those counties.
- Revises the membership of the Miami-Dade County metropolitan planning organization.
- Repeals the Osceola County Expressway Authority Law, thus repealing the Osceola County Expressway Authority.
- Limits the distribution of surtax proceeds to municipalities in Miami-Dade County in total to 25 percent.
- Limits the cost of high-occupancy toll or express lanes located in Miami-Dade County to \$5 per trip.
- Requires DOT to consider refinancing outstanding MDX bonds if doing so would result in a net cost savings and to use any resulting cost savings to reduce toll rates.
- Requires DOT to use unencumbered cash balances resulting from the transfer of the MDX to DOT to prepay or defease outstanding MDX bonds or debt to the extent allowed by the bond covenants.
- Requires DOT to display signs showing the date or year in which the bonds will be paid.
- Requires DOT to submit reports to the Miami-Dade Board of County Commissions and the Miami-Dade County Transportation Planning Organization by October 1 each year, beginning in 2020.

The bill transfers MDX's assets and liabilities to DOT. This will result in an increase in both revenues and expenditures to the state and a reduction in revenues and expenditures to local governments. Additional provisions will have a fiscal impact on both state and local governments. See Fiscal Analysis for details.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Miami-Dade County

Section 125.011(1), F.S., defines "county" as:

[A]ny county operating under a home rule charter adopted pursuant to ss. 10, 11, and 24, Art. VIII of the Constitution of 1885, as preserved by Art. VIII, s. 6(e) of the Constitution of 1968, which county, by resolution of its board of county commissioners, elects to exercise the powers herein conferred. Use of the word "county" within the above provisions shall include "board of county commissioners" of such county.

The local governments authorized to operate under a home rule charter by the State Constitutions of 1885 and 1968 are the City of Key West and Monroe County,¹ Dade County,² and Hillsborough County.³ Of these, only Miami-Dade County operates under a home-rule charter, adopted on May 21, 1957, under this constitutional provision.⁴ Therefore, Miami-Dade County is the only county that meets the definition of "county" in s. 125.011(1), F.S.

Miami-Dade County Expressway Authority (MDX)

Present Situation

Florida Expressway Authority Act

The Florida Expressway Authority Act, codified in part I of Ch. 348, F.S.,⁵ authorizes any county or two or more contiguous counties within a single Department of Transportation (DOT) district to, by resolution adopted by the board of county commissioners, form an expressway authority, as an agency of the state.⁶

The Miami-Dade County Expressway Authority (MDX) was created in 1994, when the Miami-Dade County Commission adopted ordinance 94-215.⁷ MDX is the only expressway authority operating under the Florida Expressway Authority Act.⁸ The MDX system consists of the following roadways in Miami-Dade County:

- Airport Expressway (SR 112);
- Dolphin Expressway (SR 836);
- Don Shula Expressway (SR 874);

¹ Art. VIII, s. 6, n. 2, Fla. Const.

² Art. VIII, s. 6, n. 3, Fla. Const.

³ Art. VIII, s. 6, n. 4, Fla. Const.

⁴ Florida Association of Counties, *Charter County Information*, <http://www.fl-counties.com/charter-county-information> (Last visited January 28, 2019).

⁵ Part I of Ch. 348, F.S. consists of ss. 348.0001 through 348.0012, F.S.

⁶ Section 348.0003(1), F.S.

⁷ A copy of the ordinance is available at http://miamidade.fl.elaws.us/code/coor/coor_ptiii_ch2_artxviii/ (last visited January 25, 2019).

⁸ While MDX is the only authority operating pursuant to the Florida Expressway Authority Act, Polk County formed the Polk County Expressway Authority in 2016; however, that authority does not operate an expressway system or have any outstanding bonds. Additionally, part V of Ch. 348, F.S., creating the Osceola County Expressway Authority, contains numerous references to the Florida Expressway Authority Act.

- Snapper Creek Expressway (SR 878); and
- Gratigny Parkway (SR 924).

Section 348.0003, F.S., provides for the formation and membership of an expressway authority established under the Florida Expressway Authority Act. The statute provides for the authority's voting membership, the election of officers, and the appointment of employees. Section 348.0003, F.S., also provides certain ethics requirements applicable to MDX.⁹

Section 348.0004, F.S., provides the purposes and powers of an expressway system¹⁰ created pursuant to the Florida Expressway Authority Act. These authorities may acquire, hold, construct, improve, maintain, operate, and own an expressway system. Section 348.0004, F.S., also authorizes each authority to exercise various powers required to carry out its purpose. Finally, s. 348.0004, F.S., contains provisions applicable to MDX relating to tolling, the maximum percentage of revenues that may be used for administrative expenses, the dedication of some of its surplus revenues¹¹ for transportation projects in Miami-Dade County, the authority to borrow money and refund bonds, a mandatory toll decrease for SunPass¹² users, and financial audit requirements.

Section 348.0005, F.S., authorizes bonds to be issued on an authority's behalf pursuant to the State Bond Act.¹³ However, MDX may issue its own bonds that are approved for purposes of s. 11(f), Art. VII of the State Constitution.¹⁴

Section 348.0007, F.S., authorizes an authority to appoint DOT as its agent for the purpose of constructing improvements and extensions to an expressway system and for the system's completion.

Section 348.0008, F.S., authorizes expressway authorities to acquire land and property, including by eminent domain proceedings.

Section 348.0009, F.S., expressly authorizes other units, boards, agencies, and individuals, to enter into contracts and other agreements with an expressway authority.

Section 348.0010, F.S., provides the state's pledge to expressway authority bondholders that the state will not limit or alter the rights vested in an authority and DOT until all bonds are fully paid and discharged.

Section 348.0011, F.S., provides a specified tax exemption for expressway authorities and provides that the authority's bonds are exempt from taxation except for income tax on interest, income, or profits on debt obligations owned by corporations.

Section 348.00115, F.S., requires MDX to post specified information on its website including board meeting minutes, bond covenants, budgets and contracts.

⁹ S. 348.0003(5), F.S.

¹⁰ Section 348.0002(9), F.S., defines "expressway system" as any and all expressways within the geographic boundaries of an expressway authority established pursuant to the Florida Expressway Authority Act and appurtenant facilities thereto, including, but not limited to, all approaches, roads, bridges, and avenues of access for such expressway. In any county as defined in s. 125.011(1), F.S., for purposes of this part, an expressway system includes a public transportation facility.

¹¹ Section 348.0002(12), F.S., defines "surplus revenues" as revenues in any county as defined in s. 125.011(1), F.S., derived from rates, fees, rentals, tolls, and other charges for the services and facilities of an expressway system as may exist at the end of a fiscal year after payment of all annually required operating and maintenance expenses for the fiscal year and all debt service payable in the fiscal year on bonds issued or other debts incurred for any purpose in connection with an expressway system, including debt incurred to finance the construction, extension, repair, or maintenance of an expressway system.

¹² SunPass is the state's primary electronic toll collection system.

¹³ Ss. 215.57 through 215.83, F.S.

¹⁴ Section 11(f), Art. VII of the State Constitution requires each project, building, or facility to be financed or refinanced with revenue bonds to first be approved by the Legislature by an act relating to appropriations or by general law.

Section 348.0012, F.S., provides that except as expressly provided in the Florida Expressway Authority Act, the Florida Expressway Authority Act does not apply in a county in which an expressway authority has been created in another part of Ch. 348, F.S.,¹⁵ or to the Jacksonville Transportation Authority.¹⁶

Recent Legislation

In 2017, the Legislature required MDX to, subject to compliance with its bond covenants, reduce the toll charged on any of its toll facilities by at least 5 percent, but not more than 10 percent, for each SunPass account in good standing.¹⁷

In 2018, the Legislature required MDX's governing body, by October 1, 2018, to submit to the Governor information regarding its compliance with the minimum 5 percent toll reduction prescribed in 2017. If the required toll reduction had not taken place, effective October 31, 2018, the existing board was to be dissolved and, except for the DOT district secretary, a new board was to be appointed by that date. A member of the board on October 1, 2018, was prohibited from being appointed to the new board. Qualifications and appointments to the new board remained the same.¹⁸ On May 29, 2018, MDX's board approved a toll rate reduction on MDX's facilities, providing a 5.7 to 8 percent reduction in the toll rate, depending upon the existing toll rate. The new toll rates took effect on July 1, 2018.¹⁹

MDX has challenged the legality of some portions of the 2017 and 2018 legislation, arguing that the legislation violates the constitutional prohibition against an impairment of contracts, and violates a statutory covenant of the state that the state will not alter the rights vested in the authority until all bonds are fully paid and discharged.²⁰

Effect of Proposed Changes

The bill repeals part I of Ch. 348, F.S., repealing the Florida Expressway Authority Act. This results in the repeal of the Miami-Dade County Expressway Authority and prevents any other county from creating its own expressway authority.

The bill transfers MDX to the Department of Transportation (DOT). Effective upon the bill becoming a law, the governance and control of MDX is transferred to DOT. MDX's assets, facilities, tangible and intangible property and any rights in such property, and any other legal rights, including MDX's expressway system, are transferred to DOT. DOT succeeds to all of MDX's powers, and the operations and maintenance of the expressway system must be under DOT's control. Revenues collected on the expressway system are considered DOT revenues but are subject to the lien of the trust indentures securing MDX's bonds. DOT also assumes all liability for bonds of the authority pursuant to the provisions below.

The bill requires DOT to, in consultation with the Division of Bond Finance,²¹ review all other contracts, financial obligations, and contractual relationships and liabilities of MDX, and DOT may assume responsibility for the obligations that are determined to be necessary or desirable for the continued operation of the expressway system. MDX's employees, officers, and board members may not sell, dispose, encumber, transfer, or expend the assets of the authority as existed and reflected in the authority's financial statements for the fiscal year ended June 30, 2018, other than in the ordinary course of business. However, incurring debt or issuing bonds for projects contained in MDX's Five Year Work program approved and adopted on December 5, 2018, is not considered the ordinary course of

¹⁵ Chapter 348, F.S., also creates the Tampa-Hillsborough County Expressway Authority, the Central Florida Expressway Authority, the Santa Rosa Bay Bridge Authority, and the Osceola County Expressway Authority.

¹⁶ The Jacksonville Transportation Authority is created in Ch. 349, F.S.

¹⁷ HB 1049, Ch. 2017-182, L.O.F.

¹⁸ HB 141, Ch. 2018-145, L.O.F.

¹⁹ Miami-Dade Expressway Authority Press Release, *MDX Board of Directors Approves Toll Reduction*, June 8, 2019; available at: https://www.mdxway.com/press_releases/downloads/592/original_TOLL_REDUCTION_PRESS_RELEASE_FINAL.pdf?1531322342 (Last visited January 28, 2019)

²⁰ *Miami Dade County Expressway Authority v. Bondi*, Case No. 2018 CA 001200, Second Judicial Circuit, Leon County Florida.

²¹ The Division of Bond Finance is part of the State Board of Administration.

business. However, this does not prevent MDX from designing and planning the construction of SR 836 Southwest Extension²² or other projects contained in the authority's Five Year Work program approved and adopted by the authority on December 5, 2018.

This transfer is subject to all terms and covenants provided for the protection of the holders of MDX's bonds in the trust indentures or resolutions adopted in connection with the issuance of such bonds. Further, the transfer does not impair the terms of the contract between MDX and the bondholders, does not act to the detriment of the bondholders, and does not diminish the security for the bonds. After the transfer, DOT must operate and maintain the expressway system and any other facilities of the authority in accordance with the terms, conditions, and covenants contained in the trusts indentures or bond resolutions securing such bonds. DOT must collect toll revenues and apply them to the payment of debt service as provided in the trust indentures or bond resolution securing the bonds, and expressly assumes all obligations relating to the bonds to ensure that the transfer of the authority will have no adverse impact on the security for the bonds of the authority.

After the transfer, the bill requires DOT to consider refinancing all or a portion of the outstanding Miami-Dade County Expressway Authority bonds if doing so would result in a net cost savings. Any resulting cost savings must be used to reduce toll rates. The bill also requires DOT to use the unencumbered cash balances resulting from the transfer of the MDX to the department to prepay or defease outstanding Miami-Dade County Expressway Authority bonds or debts to the extent allowed by the bond covenants. DOT must display signage, near certain toll signs, indicating the date or year in which the bonds will be paid. Further, the bill requires DOT to submit detailed reports to the Miami-Dade Board of County Commissioners and the Miami-Dade County Transportation Planning Organization. The initial report is due no later than October 1, 2020 and subsequent reports are due no later than October 1 each year thereafter. The reports should include detailed information regarding the toll collections, costs, and net revenues collected of the expressway system and turnpike operating in Miami-Dade County. The reports should also include details on projects funded and scheduled to be funded by toll revenues, including revenues from the Florida Turnpike Enterprise, in Miami-Dade County.

The bill creates s. 338.271, F.S., relating to facilities of the former Miami-Dade County Expressway Authority. Effective upon the bill becoming law, DOT assumes MDX's assets and liabilities. DOT must continue the system of tolls of the facilities for the former Miami-Dade County Expressway Authority, until any outstanding bond obligations related to a facility on the former Miami-Dade County Expressway System are fully discharged. Notwithstanding s. 338.165(1), F.S.,²³ DOT may not collect tolls on a facility of the former Miami-Dade County Expressway Authority after the discharge of any bond obligations that are outstanding as of July 1, 2018.

Notwithstanding s. 338.165(3), F.S.,²⁴ DOT may not increase toll rates on facilities of the former Miami-Dade County Expressway Authority, except as required by bond covenants.

Fees generated from tolls from former MDX facilities must be deposited into the State Transportation Trust Fund and may be used:

- To reimburse outstanding contractual obligations;
- To operate and maintain the highways and toll facilities, including reconstruction and restoration, such that these facilities are maintained to department standards; and
- To pay for projects funded by toll revenues from the former Miami-Dade County Expressway Authority that are contained in the authority's Five-Year Work Program adopted by the Miami-Dade County Expressway Authority on December 5, 2018, the designing, planning, and construction of SR 836 Southwest Extension.

²² This facility is also known as the Kendall Parkway.

²³ Section 338.165(1), F.S., authorizes DOT to continue to collect the toll on a revenue-producing project after the discharge of any bond indebtedness related to such project. The statute also provides that DOT may increase such toll.

²⁴ Section 338.165(3), F.S., requires DOT to index toll rates to the Consumer Price Index at least once every five years.

Revenues generated annually in excess of those required to pay the expenses provided above must be used by DOT to fund transportation projects in the area served by the former Miami-Dade County Expressway Authority.

Notwithstanding any other provision of law to the contrary, the facilities of the former Miami-Dade County Expressway Authority may not become part of the Florida Turnpike Enterprise and are not subject to the Florida Turnpike Enterprise Law.²⁵

As of June 30, 2018, MDX had approximately \$2.5 billion in assets and \$1.6 billion in liabilities and deferrals, including approximately \$1.5 billion in bonds payable.²⁶ The bill would transfer to DOT approximately 33.6 centerline miles (223.9 lane-miles)²⁷ of roadway currently operated by MDX.

Florida Transportation Commission Oversight

Present Situation

Section 20.23(2), F.S., creates the Florida Transportation Commission as a citizen's oversight board for the Department of Transportation. That statute also requires the commission to monitor the performance of expressway and bridge authorities and regional transportation authorities.²⁸

Effect of Proposed Changes

The bill amends s. 20.23(2)(b)8., F.S., removing a reference to part I of Ch. 348, F.S., which the bill repeals.

Issuance of Bonds

Present Situation

Section 215.68, F.S., authorizes the issuance of bonds under the State Bond Act and authorizes various terms and conditions related to the issuance of bonds. However, those terms and conditions do not supersede the limitations provided in the Florida Expressway Authority Act relating to the issuance of bonds.²⁹

Effect of Proposed Changes

The bill removes the provision in s. 215.68(2), F.S., providing that the terms and conditions related to the issuance of bonds under the State Bond Act do not supersede the limitations in the Florida Expressway Authority Act, relating to bonds, thus conforming this statute to the repeal of the Florida Expressway Authority Act.

Transportation Authority Financial Disclosure

Present Situation

Section 8(a), Article II of the State Constitution requires all elected constitutional officers and candidates for such offices and, as may be determined by law, other public officials, candidates, and employees to file full and public disclosure of their financial interests. Full and public disclosure of financial interests means filing a sworn statement showing net worth and identifying each asset and liability in excess of \$1,000 and its value together with either a copy of the person's most recent federal income tax return, or a sworn statement identifying each separate source and amount of income

²⁵ Ss. 328.22 through 338.241, F.S.

²⁶ Miami-Dade County Expressway Authority, *2018 Comprehensive Annual Financial Report*, Fiscal Years ended June 30, 2018 and 2017. Available at https://www.mdxway.com/pdf/annual_reports/CAFR_2018.pdf (Last visited January 25, 2019).

²⁷ Miami-Dade County Expressway Authority, *MDX FY 2018-2022 Work Program*, p. 2. Available at:

https://www.mdxway.com/pdf/work_programs/FY2018-2022_Work_Program.pdf (Last visited February 5, 2019)

²⁸ S. 20.23(2)(b)8, F.S.

²⁹ S. 215.68(2), F.S.

exceeding \$1,000. Pursuant to s. 112.3144(1), F.S., this disclosure is filed with the Florida Commission on Ethics.

The Florida Expressway Authority Act, in s. 348.0003(4)(c), F.S., requires members of each expressway authority, transportation authority, bridge authority, or toll authority, created pursuant to Ch. 343, F.S.,³⁰ Ch. 348, F.S.,³¹ or any other general law, to comply with the applicable financial disclosure requirements of s. 8, Art. II of the State Constitution. While this requirement is codified in the Florida Expressway Authority Act, it applies to authorities created in Ch. 343, F.S., and in other parts of Ch. 348, F.S.

Effect of Proposed Change

The bill moves the statutory provision regarding financial disclosure forms filed by transportation and expressway authorities from s. 348.0003(4)(c), F.S., to s. 112.3144(1), F.S. The actual financial disclosure requirements do not change.

Expressway Authority Public-Private Partnerships

Present Situation

The Florida Expressway Authority Act authorizes any expressway authority, transportation authority, bridge authority, or toll authority to receive or solicit proposals and enter into public-private partnership agreements, for the building, operation, ownership, or financing of authority transportation facilities or new transportation facilities within the authority's jurisdiction which increase transportation capacity. The statute provides determinations that must be made regarding a proposed project, requires certain costs to be borne by the private entity, provides how transportation authorities are to provide notice of certain proposals and allows these authorities to exercise certain powers related to these agreements.³² While this provision is contained in the Florida Expressway Authority Act, it is applicable to authorities established in other parts of Ch. 348, F.S.

Effect of Proposed Changes

The bill places public-private partnership provisions into the Tampa Hillsborough County Expressway Authority Law³³ and the Central Florida Expressway Authority Law.³⁴ These provisions are substantively the same as the statutory language currently in the Florida Expressway Authority Act, which is being repealed.

Charter County and Regional Transportation System Surtax

Present Situation

Section 212.055(1), F.S., creates the Charter County and Regional Transportation System Surtax authorizing each charter county, each county the government of which is consolidated with that of one or more municipalities, and each county that is within or under an interlocal agreement with a regional transportation or transit authority to levy, subject to voter approval, a discretionary sales surtax of up to one percent.³⁵

Thirty-one counties are currently eligible to levy the surtax.³⁶ However, only Broward, Duval, Hillsborough, and Miami-Dade Counties currently levy the surtax, Duval and Miami-Dade Counties both

³⁰ Chapter 343, F.S., creates various regional transportation authorities.

³¹ Chapter 348, F.S., creates various expressway and bridge authorities.

³² S. 348.0004(10), F.S. DOT is given similar authority in s. 334.30, F.S.

³³ Ch. 348, Part II, F.S.

³⁴ Ch. 348, Part III, F.S.

³⁵ S. 212.055(1)(a) and (b), F.S.

³⁶ The counties eligible to levy the surtax are Alachua, Bay, Brevard, Broward, Citrus, Clay, Columbia, Duval, Escambia, Franklin, Gulf, Hernando, Hillsborough, Lee, Leon, Manatee, Miami-Dade, Okaloosa, Orange, Osceola, Palm Beach, Pasco, Pinellas, Polk, Santa Rosa, Sarasota, Seminole, Volusia, Wakulla, and Walton. 2018 Florida Tax Handbook, p. 227.

levy the tax at a rate of one-half percent.³⁷ Duval County began levying the tax in 1989, and Miami-Dade County began levying the tax in 2003.³⁸ In November 2018, Broward and Hillsborough Counties voted to levy the tax, effective January 1, 2019, at a rate of one-percent.

In Miami-Dade County, the surtax is dedicated to support the People's Transportation Plan.³⁹ In 2002, Miami-Dade County's voters approved the surtax for the purpose of funding the People's Transportation Plan, including plans to build rapid transit lanes, expand bus service, purchase additional buses, improve traffic signalization, improve major and neighborhood roads and highways, and provide funding to municipalities for road and transportation projects. The ordinance also establishes the Citizens' Independent Transportation Trust as an advisory entity created to oversee the use of the surtax proceeds.⁴⁰

Currently, proceeds from the Charter County and Regional Transportation System Surtax may be applied to as many or as few of the uses provided below in whatever combination the county commission deems appropriate:

- Deposited by the county in the trust fund and used for a countywide bus system, on-demand transportation services,⁴¹ and related costs of a fixed guideway rapid transit system;
- Remitted by the governing body of the county to an expressway, transit, or transportation authority to be used roads or bridges, a bus system, on-demand transportation services, for the payment of principal and interest on existing bonds issued for the construction of such roads or bridges, and, upon approval by the county commission, such proceeds may be pledged for bonds issued to refinance existing bonds or new bonds issued for the construction of such roads or bridges; or
- Used by the county for roads and bridges; bus and fixed guideway systems; on-demand transportation services; and for the payment of principal and interest on bonds issued for the construction of fixed guideway rapid transit systems, bus systems, roads, or bridges; and such proceeds may be pledged by the governing body of the county for bonds issued to refinance existing bonds or new bonds issued for the construction of such fixed guideway rapid transit systems, bus systems, roads, or bridges. Pursuant to an interlocal agreement, the county may distribute tax proceeds to a municipality, or an expressway or transportation authority.⁴²

Effect of Proposed Changes

Beginning July 1, 2022, and to the extent not prohibited by contracts or bond covenants in effect on July 1, 2022, the bill requires Miami-Dade County to use the Charter County and Regional Transportation Surtax proceeds only for the following purposes:

- The planning, design, engineering, or construction of, or the acquisition of rights-of-way for fixed guideway rapid transit systems and bus systems, including bus rapid transit systems, and for the development of dedicated facilities for autonomous vehicles.⁴³
- The acquisition of rights-of-way for fixed guideway rapid transit systems and bus systems, including bus rapid transit systems, and for the development of dedicated facilities for autonomous vehicles.
- The purchase of buses or other capital costs for bus systems, including bus rapid transit systems.

³⁷ 2018 Florida Tax Handbook, p. 227.

³⁸ 2003 Florida Tax Handbook. p. 154.

³⁹ Information on Miami-Dade County's People's Transportation Plan is available at:

<https://www.miamidade.gov/publicworks/peoples-transportation.asp> (Last visited February 14, 2019).

⁴⁰ Florida Department of Transportation, Agency Analysis of 2019 HB 385, p5. (January 22, 2019)

⁴¹ Section 212.055(1)(e), F.S., defines "on-demand transportation services" as transportation provided between flexible points of origin and destination selected by individual users with such service being provided at a time that is agreed upon by the user and the provider of the service and that is not fixed-schedule or fixed-route in nature.

⁴² S. 212.055(1)(d), F.S.

⁴³ Section 316.003(3), F.S., defines "autonomous vehicle" as any vehicle equipped with autonomous technology.

- The payment of principal and interest on bonds previously issued related to fixed guideway rapid transit systems or bus systems.
- As security by the governing body of the county to refinance existing bonds or to issue new bonds for the planning, design, engineering, or construction of fixed guideway rapid transit systems or bus systems.

Effective October 1, 2022, to the extent not prohibited by contracts or bond covenants in effect on that date, no more than 25 percent of the surtax proceeds may be distributed to municipalities in total in Miami-Dade County. Each municipality in Miami-Dade County may use its surtax proceeds to plan, develop, construct, operate, and maintain roads and bridges in the municipality and to pay the principal and interest on bonds issued to construct road or bridges. The governing body of the municipality may pledge the proceeds for bonds issued to refinance existing bonds or new bonds issued to construct such roads and bridges. Additionally, each such municipality may use surtax proceeds for transit systems within the municipality.

The bill prohibits the use of the Charter County and Regional Transportation Surtax proceeds in Miami-Dade County from being used for salaries or other personnel expenses for the county transportation department.

Rebuilt Inspection Program

Present Situation

A person may not sell a rebuilt vehicle until the vehicle's title labels that vehicle as rebuilt, which requires the motor vehicle go through a physical rebuilt motor vehicle inspection conducted by the Department of Highway Safety and Motor Vehicles (DHSMV).⁴⁴ The purpose of the rebuilt vehicle inspection is to assure the identity of the vehicle and all major component parts that have been repaired or replaced. After an approved rebuilt vehicle inspection, DHSMV affixes a decal to the vehicle identifying the vehicle as a rebuilt vehicle.

In 2013, the Legislature created s. 319.141, F.S., creating a Pilot Rebuilt Vehicle Inspection Program (PRVIP) in Miami-Dade and Hillsborough counties. DHSMV set standards for the program and certified private sector inspection facilities in Miami-Dade County.⁴⁵ The program's purpose was to evaluate private sector alternatives for rebuilt inspection services, including the feasibility of using private facilities, the cost impact to consumers, and the potential savings to DHSMV. DHSMV was required to establish a memorandum of understanding (MOU) allowing private parties participating in the pilot program to conduct rebuilt vehicle inspections and specifies requirements for oversight, bonding and insurance, procedure, and forms, and requires the electronic submission of documents.

To be approved for the program, an applicant was required to:

- Have and maintain a surety bond or irrevocable letter of credit in the amount of \$100,000, executed by the applicant;
- Secure and maintain a facility at a permanent structure at an address recognized by the U.S. Postal Service where the only services provided are rebuilt inspection services;
- Annually attest that he or she is not employed by or does not have an ownership interest in or financial arrangement with a motor vehicle repair shop, motor vehicle dealer, towing company, storage company, vehicle auction, insurance company, salvage yard, metal retailer, or metal rebuild, from which he or she receives remuneration for the referral of customers for rebuilt inspection services;
- Have and maintain garage liability and other insurance required by DHSMV;
- Have completed criminal background checks of the owners, partners, and corporate officers and the inspectors employed by the facility; and

⁴⁴ Section 319.14(1)(b), F.S. A rebuilt vehicle is one that has been built from salvage or junk.

⁴⁵ No entities from Hillsborough County applied to participate in the program.

- Meet any additional criteria DHSMV determines necessary to conduct proper inspections.⁴⁶

As required by law, in 2015, DHSMV submitted a report⁴⁷ that summarized the implementation of the pilot program and program results. DHSMV had certified eight private businesses in the Miami area to conduct rebuilt vehicle inspections.⁴⁸ During Fiscal Year 2016-2017, 71,342 rebuilt vehicle inspections were conducted in the state, of which 35,325 were conducted by the PRVIP operators.⁴⁹

DHSMV employees in Miami-Dade County were responsible for conducting rebuilt vehicle inspections at the DHSMV Regional Office and at various off-site locations, and for monitoring the PRVIP businesses to ensure inspections were conducted in accordance with program standards.⁵⁰

According to DHSMV, each of the eight pilot program participants met all of the statutory requirements and the MOU executed with DHSMV. Statutorily authorized state rebuilt inspection fees (\$40) and re-inspection fees (\$20) were collected and remitted to the state as required. In addition, each pilot program participant was allowed to assess customers a service fee for each inspection. Service fees ranged from \$50 to \$85 and were not regulated in any manner by DHSMV.⁵¹

The PRVIP was repealed on July 1, 2018, since it was not saved from repeal through reenactment by the Legislature.

Effect of Proposed Changes

The bill reenacts and the former Pilot Rebuilt Vehicle Inspection Program in Miami-Dade County as the Rebuilt Vehicle Inspection Program and removes the repeal date in order to make the program permanent.

DOT Review of Design Plans

Present Situation

Section 334.175, F.S., requires all design plans and surveys prepared by or for DOT to be signed, sealed, and certified by the duly registered professional engineer or surveyor or architect or landscape architect responsible for the project work. However, while DOT may review plans for highway projects impacting its right-of-way, DOT is not required to approve the design plans.

On March 15, 2018, a pedestrian bridge under construction at Florida International University in Miami collapsed onto the state-owned eight-lane US 41/Tamiami Trail. The bridge collapse resulted in the deaths of six persons, and four additional persons were injured. The National Transportation Safety Board is investigating the cause of the bridge collapse and has issued some preliminary reports indicating that there may have been flaws with the bridge's design.⁵²

Effect of Proposed Changes

The bill creates s. 334.175(2), F.S., requiring that for all transportation projects on, under, over, or abutting a DOT-owned right-of-way and regardless of funding source, DOT must approve the design plans for such projects, provided that such design plans meet DOT standards.

⁴⁶ S. 319.141(4), F.S.

⁴⁷ DHSMV, *Florida's Private Rebuilt Vehicle Inspection Program – Pilot Program Report* (Jan. 30, 2015), available at <http://www.flhsmv.gov/pdf/cabinetreports/privaterebuiltreport.pdf> (Last visited Jan. 22, 2019).

⁴⁸ DHSMV, Office of Inspector General, *Rebuilt Vehicle Inspection Program Audit Report 201617-24* (Dec. 5, 2017), available <https://www.flhsmv.gov/pdf/igoffice/20161724.pdf> (Last visited Jan. 22, 2019).

⁴⁹ *Id.*

⁵⁰ DHSMV, *Pilot Program Report*.

⁵¹ DHSMV, *Pilot Program Report*.

⁵² NTSB information on the FIU bridge collapse is available at: <https://www.ntsb.gov/investigations/Pages/HWY18MH009.aspx> (Last visited January 9, 2019).

Innovative Transportation Projects and Techniques

Present Situation

Section 337.025, F.S., authorizes DOT to establish a program for highway projects demonstrating innovative techniques of highway construction, maintenance, and finance which have the intended effect of controlling time and cost increases on construction projects. Such techniques may include, but are not limited to, state-of-the-art technology for pavement, safety, and other aspects of highway construction and maintenance; innovative bidding and financing techniques; accelerated construction procedures; and those techniques that have the potential to reduce project life cycle costs. DOT may annually enter into up to \$120 million in contracts for innovative transportation projects. However, the annual cap does not apply to turnpike enterprise projects and transportation projects funded by the American Recovery and Reinvestment Act of 2009.⁵³

Effect of Proposed Changes

The bill amends s. 337.025(1), F.S., changing DOT's authorization for innovative highway projects to innovative transportation projects. This new authorization specifically includes innovative techniques for bridge design that have the effect of measuring resiliency and structural integrity. The bill also authorizes the use of innovative transportation projects for new and existing bridge design.

High-Occupancy Toll Lanes

Present Situation

Section 338.166, F.S., authorizes DOT to request the Division of Bond Finance to issue bonds secured by toll revenues collected on high-occupancy toll lanes or express lanes established on DOT-owned facilities. DOT may continue to collect the tolls on high-occupancy toll lanes or express lanes after any bond debt is discharged. Such toll revenues must first be used to pay the annual cost of operation, maintenance, and improvement of the high-occupancy toll lanes or express lanes project or associated transportation system.

DOT must use any remaining toll revenue from high-occupancy toll lanes or express lanes for the construction, maintenance, or improvement of any road on the State Highway System within the county or counties in which the toll revenues were collected or to support express bus service on the facility where the toll revenues were collected.⁵⁴

Effect of Proposed Changes

The bill amends s. 338.166, F.S., providing that the cost of any toll on a high-occupancy toll lane or express lane that is located in Miami-Dade County may not exceed \$5 per trip.

Southeast Florida Turnpike Toll Revenue

Present Situation

Section 338.231, F.S., requires DOT to fix, adjust, charge, and collect such tolls on the turnpike system as are required in order to provide a fund sufficient with other turnpike system revenues to pay the cost of maintaining, improving, repairing, and operating the turnpike system; to pay the principal of and interest on all bonds issued to finance or refinance any portion of the turnpike system as the bonds become due and payable; and to create reserves for all such purposes.

Section 338.231(3)(a), F.S., requires DOT through June 30, 2027, to the maximum extent feasible, to program sufficient funds in its tentative work program⁵⁵ such that the percentage of turnpike toll and bond financed commitments in Miami-Dade County, Broward County, and Palm Beach County as

⁵³ Pub. L. 111-5.

⁵⁴ Section 338.166, F.S., expressly does not apply to the turnpike system. The Florida Turnpike Enterprise is not currently operating any express lanes.

⁵⁵ DOT's tentative work program is developed pursuant to s. 339.135(4), F.S.

compared to total turnpike toll and bond financed commitments is at least 90 percent of the share of net toll collections attributable to users of the turnpike system in Miami-Dade County, Broward County, and Palm Beach County as compared to total net toll collections attributable to users of the turnpike system. This requirement is not applicable if it would violate any bond covenants for turnpike bonds.

Effect of Proposed Changes

The bill amends s. 338.231(3)(a), F.S., requiring DOT to program sufficient funds in its tentative work program such that all of the net toll collections attributable to users of turnpike facilities in Miami-Dade, Broward, and Palm Beach Counties are committed to projects and bond finance commitments in each respective county. The bill keeps the provision that this requirement does not apply when its application would violate any bond covenants for turnpike bonds.

Metropolitan Planning Organizations

Present Situation

Federal Law

Metropolitan Planning Organizations (MPOs), also referred to as Transportation Planning Organizations (TPOs), are federally-mandated transportation planning organizations comprised of representatives from local governments and transportation authorities. The MPO's role is to develop and maintain the required transportation plans for a metropolitan area to ensure that federal funds support local priorities. Federal law requires MPOs in urbanized areas with populations of 50,000 or more individuals.⁵⁶

State Law

Section 339.175, F.S., provides state law regarding MPOs and generally mirrors applicable federal law.

MPOs carry out four primary activities:

- Developing and maintaining a Long-Range Transportation Plan, addressing no less than a 20-year planning horizon.
- Updating and approving a Transportation Improvement Program, a four-year program for highway and transit improvements.
- Developing and adopting a Unified Planning Work Program, identifying the MPO's budget and planning activities to be undertaken in the metropolitan planning area.
- Preparing a Public Participation Plan, describing how the MPO involves the public and stakeholder communities in transportation planning.

Florida MPO Board Composition

Florida has 27 MPOs⁵⁷ ranging in size from six to 29 members, including both voting and nonvoting members. In Florida, the average size of an MPO's governing board is approximately 16 members, with 14 voting members and two nonvoting members. MPOs serving areas with a population greater than one million people generally have larger boards with an average of 18 voting members and four nonvoting advisors. MPOs serving populations below 200,000 people generally have the smallest boards with an average of 11 voting members and two nonvoting members.⁵⁸

Federal law allows the state and units of local government to largely determine the MPO's composition.⁵⁹ Florida law refers to this process as "apportionment."⁶⁰ The Governor apportions the

⁵⁶ 23 U.S.C. s. 134

⁵⁷ A list of Florida's MPOs and links to each specific MPOs website is available at <https://mpoac.org> (last visited December 21, 2018).

⁵⁸ Florida Department of Transportation *MPO Program Management Handbook*. Chapter 1.3.2. Available at:

https://fdotwww.blob.core.windows.net/sitefinity/docs/default-source/planning/policy/metrosupport/resources/fdot-mpo-handbook8a21c15fc3d40eea6f4c70606a20e4e.pdf?sfvrsn=861c81ff_0 (Last visited January 9, 2019).

⁵⁹ 23 U.S.C. s. 134(d), 23 C.F.R. 450.310

⁶⁰ S. 339.175(4), F.S.

membership of the MPO with the agreement of the affected local governments.⁶¹ Each MPO reviews the composition of its membership in conjunction with each decennial census. Each existing and emerging MPO must submit a Membership Apportionment Plan meeting federal and state requirements.⁶²

The MPO voting membership, as reflected in the Membership Apportionment Plan, must consist of at least five, but no more than 25 apportioned members. The exact number of members is determined on an equitable geographic-population ratio basis by the Governor, based on an agreement among the affected units of general-purpose local government, as required by federal rules and regulations.⁶³ For Miami-Dade County, it may elect to have its county commission serve as the MPO board if the MPO jurisdiction is wholly contained within Miami-Dade County.⁶⁴ In addition, the voting membership of any MPO in Miami-Dade County must include an additional voting member appointed by that city's governing body for each city with a population of 50,000 or more residents.⁶⁵

Florida law requires DOT representatives to serve as nonvoting advisors to MPO governing boards. DOT is represented by the District Secretary or his or her designee. The MPO may appoint additional nonvoting advisors as deemed necessary.

Miami-Dade County's TPO consists of the following 25 members:

- All 13 commissioners from the Miami-Dade County Board of County Commissioners;
- Eight elected officials, one from each municipality with a population of over 50,000 persons;⁶⁶ and
- Four persons appointed by the Governor representing:
 - The Miami-Dade County Expressway Authority'
 - The Miami-Dade County School Board;
 - A municipality within the County; and
 - A non-elected official residing in unincorporated Miami-Dade County.⁶⁷

Effect of Proposed Changes

The bill amends s. 339.175(3)(d), F.S., and repeals s. 339.176, F.S., changing the composition of Miami-Dade County's MPO. The bill provides that the Governor will appoint the Miami-Dade County MPO's members, and the MPO will consist of all 13 county commissioners and four representative from municipalities with a population of 50,000 or more persons,⁶⁸ appointed by the Governor, based on the recommendations of the county commission , who serve on a two-year rotational basis; and four representatives from municipalities with populations of less than 50,000 persons, appointed by the Governor, based on the recommendations of the county commission, who serve on a two-year rotational basis. Except for the DOT district secretary serving as a non-voting advisor, the Miami-Dade County MPO may not have any additional voting members or non-voting advisors. The bill also amends s. 339.175(6)(f), F.S., to prohibit the MPO from charging a fee for membership in Miami-Dade County.

Osceola County Expressway Authority

Present Situation

⁶¹ S. 339.175(4)(a), F.S.

⁶² These requirements are contained in s. 339.175(3), F.S., s. 339.175(4), F.S., and 23 C.F.R. 450.310.

⁶³ S. 339.175(3)(a), F.S.

⁶⁴ Miami-Dade County's MPO is solely within Miami-Dade County.

⁶⁵ S. 339.176, F.S.

⁶⁶ The municipalities in Miami-Dade County with populations of over 50,000 persons include: Coral Gables, Doral, Hialeah, Homestead, Miami, Miami, Beach, and North Miami.

⁶⁷ Miami-Dade County Transportation Planning Organization, *Governance*,

<http://www.miamidadetpo.org/governance.asp?fldr1=MPO-Governing-Board> (Last visited February 4, 2019).

⁶⁸ Based on April 1, 2018, population estimates, municipalities with populations of 65,000 or more persons are: Doral, Hialeah, Homestead, Miami, Miami Beach, and Miami Gardens.

In 2010, the Legislature created the Osceola County Expressway Authority Law, codified in part V of Ch. 348, F.S.⁶⁹ Much of the Osceola County Expressway Authority law references the Florida Expressway Authority Act.⁷⁰ The Osceola County Expressway (OCX) operated the Poinciana Parkway in Osceola County.

In 2014, the Legislature passed SB 230,⁷¹ creating the Central Florida Expressway Authority (CFX), in part III of Ch. 348, F.S. In summary, the Legislature transferred the former Orlando-Orange County Expressway Authority to CFX. At the time of its creation, CFX included Lake, Osceola, Orange, and Seminole Counties. Brevard County was subsequently added to the authority. SB 230 limited the exercise of OCX's powers. Under that bill, OCX could only exercise its powers for the purpose of studying, planning, designing, financing, constructing, operating, and maintaining projects that were identified in its May 8, 2012, Master Plan. However, the bill authorized OCX to exercise these same powers on an additional, specified extension of the Osceola Parkway Extension.

SB 230 (2014) provided that on December 31, 2018, all powers, governance, and control of the Osceola County Expressway System were transferred to CFX, as were all assets, liabilities, facilities, tangible and intangible property and any rights in the property, and any other legal rights of OCX. At that time, each OCX facility is considered a "non-system project."⁷² The effective date of the transfer was required to be extended until the date on which the current and forecasted total debt service coverage ratios are certified to be equal to or greater than 1.5 for each and every year during which debt obligations are outstanding. However, if the effective date was extended, then OCX could only exercise its powers through a contract with another governmental entity (or entities).⁷³

SB 230 (2014) provided that Part V of Ch. 348, F.S., is repealed on the same date that the OCX is transferred to CFX. Following the repeal and transfer, uncompleted elements of OCX's May 8, 2012, Master Plan will be included in the CFX's master or long-range plan.⁷⁴ An additional, specified extension of the Osceola Parkway Extension will also be included. In all cases, these uncompleted elements are considered "non-system projects" of the CFX.

OCX has entered into a lease purchase agreement with Osceola County to acquire the Poinciana Parkway, a facility owned by the County and financed by Osceola County, Polk County, and DOT. Toll revenues from Poinciana are pledged to the repayment of the bonds that Osceola County has issued. OCX, Osceola County and CFX have entered into an Interlocal Agreement addressing the operation of the Parkway, services provided by CFX and the potential acquisition of the Parkway by CFX. OCX, Osceola County and CFX are working on the transfer of the Parkway lease purchase agreement to CFX. OCX does not own other facilities and has not issued bonds to finance facilities.⁷⁵

On December 11, 2018, the OCX board voted to transfer all of its projects to the Central Florida Expressway Authority.⁷⁶

⁶⁹ Ch. 2010-225, L.O.F. Part V of Ch. 343, F.S., consists of ss. 348.9950 through 348.9961, F.S.

⁷⁰ Ch. 348, part I, F.S.

⁷¹ Ch. 2014-171, F.S.

⁷² The term "non-system project" will be defined in the then-current master senior lien bond resolution of the Central Florida Expressway Authority.

⁷³ The powers exercised pursuant to contract may only be for the purpose of operating and maintaining those projects which were completed before such date, in accordance with the requirements of any agreement, resolution, or indenture under which bonds or other debt obligations were issued to finance such projects, and completing construction of those projects for which financing of the full estimated costs of acquisition, design, and construction was obtained and construction began before December 31, 2018.

⁷⁴ The Central Florida Expressway Authority's master or long-range plan will define the term "master plan" or "long range plan."

⁷⁵ Florida Department of Transportation, Agency Analysis of 2019 HB 383, p.3. (January 22, 2019).

⁷⁶ Stephanie Bechara, *Osceola County Expressway Authority Coming to an End* (December 11, 2018), Available at: <https://www.mynews13.com/fl/orlando/news/2018/12/11/osceola-county-expressway-authority-coming-to-an-end> (Last visited February 5, 2019).

Effect of Proposed Changes

The bill repeals the Osceola County Expressway Authority Law codified in part V of Ch. 348, F.S. Due to the OCX's board vote, OCX is effectively dissolved, and this repeal will not have any impact on its operations.

Conforming Changes

The bill amends ss. 338.165(2) and (5), F.S., removing cross-references to statutes which are being repealed.

The bill amends s. 343.1003, F.S., revising a cross-reference.

B. SECTION DIRECTORY:

Section 1 amends s. 20.23, F.S., relating to the Department of Transportation.

Section 2 amend s. 112.3144, F.S., relating to the full and public disclosure of financial interests.

Section 3 amends s. 212.055, F.S., relating to discretionary sales surtaxes.

Section 4 amends s. 215.68, F.S., relating to the issuance of bonds.

Section 5 recreates and amends s. 319.141, F.S., relating to the Rebuilt motor vehicle inspection program.

Section 6 amends s. 334.175, F.S., relating to certification of project design plans and surveys.

Section 7 amends s. 337.025, F.S., relating to innovative transportation projects.

Section 8 amends s. 338.165, F.S., conforming cross-references.

Section 9 amends s. 338.166, F.S., relating to high-occupancy toll lanes and express lanes.

Section 10 amends s. 338.231, F.S., relating to turnpike tolls.

Section 11 creates s. 338.271, F.S., relating to facilities of the former Miami-Dade County Expressway Authority.

Section 12 amends s. 339.175, F.S., relating to metropolitan planning organizations.

Section 13 repeals s. 339.176, F.S., relating to voting membership for MPO with boundaries including certain counties.

Section 14 amends s. 343.1003, F.S., removing a cross-reference.

Section 15 repeals part I of CH. 348, F.S., repealing the Florida Expressway Authority Act.

Section 16 transfers the Miami-Dade County Expressway Authority to the Department of Transportation.

Sections 17 and 18 create ss. 348.635 and 348.7605, F.S., relating to public-private partnerships.

Section 19 repeals part V of Ch. 348, F.S., repealing the Osceola County Expressway Authority Law.

Section 20 provides that except as otherwise expressly provided, the bill has an effective date of July 1, 2019.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

The bill repeals the Florida Expressway Authority Act and requires the transfer of MDX's assets and liabilities to DOT. The bill also provides that DOT may not assess a toll on former MDX facilities once bonds associated with these facilities are discharged. On February 1, 2019, The Revenue Estimating Conference scored these provisions and identified the following positive fiscal impact to trust funds:⁷⁷

2019-2020	\$542.7 million (This includes an estimated \$283.3 million cash balance for MDX on the date of the transfer.)
2020-2021	\$264.1 million
2021-2020	\$269.3 million
2020-2023	\$275.0 million
2023-2024	\$281.5 million

2. Expenditures:

The bill repeals the Florida Expressway Authority Act and transfers MDX's assets and liabilities to DOT. As of June 30, 2018, MDX had approximately \$1.6 billion in liabilities, including approximately \$1.5 billion in bonds payable. The final bond maturity date is in 2044. During Fiscal Year 2017-2018, MDX paid approximately \$22.7 million in bond principal and \$72.3 million in interest on outstanding bonds. MDX also incurred approximately \$93.5 million in operating expenses and incurred various non-operating expenses.⁷⁸

DHSMV may incur some expenditures associated with the reenactment of the Rebuilt Inspection Program. It should be able to absorb these costs within existing resources.

DOT may incur some costs associated with approving the design plans of projects impacting DOT's right-of-way. However, the costs is indeterminate, but likely can be absorbed within existing resources.

In the long term, DOT may realize some cost savings associated with the use of innovative transportation projects and techniques.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

The bill repeals the Florida Expressway Authority Act and transfers MDX's assets and liabilities to DOT. The bill also provides that DOT may not assess a toll on a former MDX facility once bonds associated with that facility are discharged. On February 1, 2019, The Revenue Estimating Conference scored these provisions and identified the following negative fiscal impact to MDX:

2019-2020	\$542.7 million (This includes an estimated \$283.3 million cash balance for MDX on the
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⁷⁷ The Revenue Estimating Conference assumed that there will not be a General Revenue service charge.

⁷⁸ Miami-Dade County Expressway Authority, *2018 Comprehensive Annual Financial Report*. Copy on file with Transportation & Infrastructure Subcommittee.

	date of the transfer.
2020-2021	\$264.1 million
2021-2020	\$269.3 million
2020-2023	\$275.0 million
2023-2024	\$281.5 million

2. Expenditures:

Due to its repeal, MDX will no longer be responsible for its liabilities or for its operating expenses.

The Miami-Dade County TPO may experience a reduction in expenditures associated with the reduction in the size of its board.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill prohibits DOT from charging tolls on former MDX facilities once the outstanding bond obligations associated with that facility are discharged. However, the final maturity date for MDX's outstanding bonds is in 2044.

D. FISCAL COMMENTS:

DOT notes that the bond revenues currently cover the costs of operating, maintaining, and improving MDX's facilities and that revenue stream would not be available to DOT once MDX's outstanding bonds are discharged.⁷⁹

There is a potential for DOT to receive additional funds from the Federal Highway Administration if the former MDX facilities become part of DOT's owned and managed infrastructure network. However, these additional funds may not cover operations and maintenance costs after the bonds are discharged and DOT is prohibited from collecting tolls.⁸⁰

The bill amends, beginning in 2022, the authorized uses for the Charter County and Regional Transportation System surtax revenue for Miami-Dade County. While the amount of the surtax will not change under the bill, the authorized uses will change and certain uses currently receiving funds would no longer be eligible to receive surtax revenue. However, entities currently not eligible to receive surtax revenue may then be eligible to receive this revenue.

The bill requires all excess turnpike toll revenue from Palm Beach, Broward, and Miami-Dade Counties to be utilized in those counties. The current requirement is 90 percent of that revenue. To the extent that some of the toll revenues from those counties are currently being utilized in other parts of the state, these counties could see a reduction in projects, while the three specified counties may see an increase in projects.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to require counties or municipalities to spend funds or take action requiring the expenditures of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or reduce the percentage of state tax shared with counties or municipalities.

⁷⁹ Florida Department of Transportation, Agency Analysis of 2019 HB 383, p. 9 (January 22, 2019)

⁸⁰ *Id.* at 11.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On February 13, 2019, the Transportation & Infrastructure Subcommittee adopted a strike-all amendment and reported the bill favorably as a committee substitute. The amendment:

- Revised the changes to the authorized uses of the Charter County and Regional Transportation surtax so that they only apply in Miami-Dade County.
- Prohibited DOT from adjusting tolls on former MDX facilities to the Consumer Price Index.
- Provided that tolls DOT receives from former MDX facilities may only be used for certain purposes.
- Provided that former MDX facilities may not become part of the Florida Turnpike Enterprise.
- Provided additional requirements relating to the transfer of MDX facilities to DOT.
- Revised the membership of the Miami-Dade County metropolitan planning organization.

This analysis is written to the committee substitute as reported favorably by the Transportation & Infrastructure Subcommittee.

On March 6, 2019, the Ways and Means Committee adopted a strike-all amendment and reported the bill favorably. The amendment:

- Removes language limiting the use of transportation system surtax proceeds in counties other than Miami-Dade to 25 percent for nontransit purposes.
- Limits the distribution of surtax proceeds distributed to municipalities in Miami-Dade County in total to 25 percent.
- Limits the cost of high-occupancy toll or express lanes located in Miami-Dade County to \$5 per trip.

In regards to the MPOs, the amendment:

- Changes the composition of the MPO by requiring four representatives from municipalities with populations of 50,000 or more and four representatives from municipalities with populations less than \$50,000.
- Requires the Governor to appoint the representatives based on recommendations from the county commission.
- Prohibits the MPO from charging a fee for membership in Miami-Dade County.

The amendment also:

- Requires DOT to consider refinancing outstanding MDX bonds if doing so would result in a net cost savings and to use any resulting cost savings to reduce toll rates.
- Requires DOT to use unencumbered cash balances resulting from the transfer of the MDX to DOT to prepay or defease outstanding MDX bonds or debt to the extent allowed by the bond covenants.
- Requires DOT to display signage, near certain toll signs, indicating the date or year in which the bonds will be paid.
- Requires DOT to submit reports to the Miami-Dade Board of County Commissions and the Miami-Dade County Transportation Planning Organization by October 1 each year, beginning in 2020.

This analysis is drawn to the bill as amended.