

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.)

Prepared By: The Professional Staff of the Committee on Rules

BILL: CS/CS/CS/SB 426

INTRODUCER: Rules Committee; Community Affairs Committee; Transportation Committee; and Senator Boyd

SUBJECT: State Preemption of Seaport Regulations

DATE: April 15, 2021

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Price</u>	<u>Vickers</u>	<u>TR</u>	<u>Fav/CS</u>
2.	<u>Paglialonga</u>	<u>Ryon</u>	<u>CA</u>	<u>Fav/CS</u>
3.	<u>Price</u>	<u>Phelps</u>	<u>RC</u>	<u>Fav/CS</u>

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/CS/CS/SB 426 prohibits a local ballot initiative or referendum from restricting maritime commerce in Florida's seaports. The prohibition applies, but is not limited, to restricting such commerce based on any of the following:

- Vessel type, size, number, or capacity.
- Number, origin, nationality, embarkation, or disembarkation of passenger or crew or their entry into this state of any local jurisdiction.
- Source, type, loading, or unloading of cargo.
- Environmental or health records of a particular vessel or vessel line.

Any conflicting local ballot initiative or referendum adopted before, on, or after the effective date of the act, and any local law, charter amendment, ordinance, resolution, regulation, or policy adopted in such an initiative or referendum is prohibited, void, and expressly preempted to the state.

The bill also prohibits a local government, or a political subdivision or special district thereof, from restricting maritime commerce in any Florida seaport located in or adjoining an area designated as an area of critical state concern before, on, or after the effective date of the act with respect to any federally authorized passenger cruise vessel based on any of the following:

- Vessel type, size, number, or capacity, except when the port, by virtue of the physical limitations of its docking, berthing, or navigational capabilities, is unable to accommodate a passenger cruise vessel pursuant to applicable federal or state laws or regulations.
- Number, origin, nationality, embarkation, or disembarkation of passengers or crew or their entry into this state or any local jurisdiction.
- Source, type, loading, or unloading of cargo related or incidental to its use as a passenger cruise vessel.
- Environmental or health records of a particular passenger cruise vessel or cruise line.

The bill prohibits and voids, and expressly preempts to the state, any conflicting provision of a local law, a charter, an ordinance, a resolution, a regulation, a policy, an initiative, or a referendum existing before, on, or after the effective date of the act. These provisions do not apply to a special district established for port management by special act of the Legislature and, except for the prohibition against a local ballot initiative or referendum restricting maritime commerce in Florida's seaports, do not otherwise limit the authority of a subject local government, or political subdivision or special district thereof, to manage seaport commerce as provided by Florida law, issue and enforce tariffs, and enter into contracts related to the port facilities.

The bill includes a severability clause and takes effect upon becoming law.

The fiscal impact to state and local governments and the private sector is indeterminate. See the "Fiscal Impact Statement" heading below.

II. Present Situation:

Regulation of Vessels and Maritime Commerce

Generally, federal law controls¹ the regulation of maritime commerce², navigation,³ seaport security⁴, the regulation of commercial vessels, shipping⁵ and common carriers, vessel-related environmental and pollution standards,⁶ disease and quarantine efforts,⁷ and other aspects of admiralty law in and upon the navigable waters of the United States. The U.S. Supreme Court

¹ *Cipollone v. Liggett Group, Inc.*, 505 U.S. 504, 516 (1992). Where Congress has explicitly preempted state law in an area, federal law supplants all state regulation in that area. Even in the absence of express congressional intent to preempt state law, federal preemption is implied where (1) state law “actually conflicts with federal law” or (2) federal law so thoroughly occupies a legislative field “as to make reasonable the inference that Congress left no room for the States to supplement it.”

² *United States v. Locke*, 529 U.S. 89, 103 (2000). (“The existence of the treaties and agreements on standards of shipping is of relevance, of course, for these agreements give force to the longstanding rule that the enactment of a uniform federal scheme displaces state law, and the treaties indicate Congress will have demanded national uniformity regarding maritime commerce.”)

³ See 33 U.S.C. §§ 1221 et seq. The Ports and Waterways Safety Act of 1972 (PWSA) authorizes the U.S. Coast Guard to establish vessel traffic service/separation schemes (VTSS) for ports, harbors, and other waters subject to congested vessel traffic. The VTSS apply to commercial ships, other than fishing vessels, weighing 300 gross tons (270 gross metric tons) or more. The Oil Pollution Act amended the PWSA to mandate that appropriate vessels must comply with the VTSS. The PWSA was amended by the Port and Tanker Safety Act (PTSA) of 1978 (Public Law 95-474). Under the PTSA, Congress found that increased supervision of vessel and port operations was necessary to reduce the possibility of vessel or cargo loss, or damage to life, property or the marine environment and ensure that the handling of dangerous articles and substances on the structures in, on, or immediately adjacent to the navigable waters of the United States is conducted in accordance with established standards and requirements. NOAA, *Ports and Waterways Safety Act*, [PortsandWaterwaysSafetyAct.pdf](https://www.noaa.gov/PortandWaterwaysSafetyAct.pdf) ([noaa.gov](https://www.noaa.gov)) (last visited March 3, 2021).

⁴ For example, the Maritime Transportation Security Act of 2002 created a broad range of programs to improve the security conditions at the ports and along American waterways, such as identifying and tracking vessels, assessing security preparedness, and limiting access to sensitive areas.

⁵ See Shipping Act of 1984. 46 U.S.C. §§ 40101(1), 40101(2). One purpose of the Act is to ‘establish a nondiscriminatory regulatory process for the common carriage of goods by water in the foreign commerce of the United States with a minimum of government intervention and regulatory costs.’ A second purpose is to ensure that U.S.-flag ships are on a level playing field with foreign vessels.

⁶ In 1973, the International Maritime Organization (IMO) adopted the International Convention for the Prevention of Pollution by Ships and subsequently modified it by Protocol in 1978. The Convention is widely known as MARPOL 73/78. Its objective is to limit ship-borne pollution by restricting operational pollution and reducing the possibility of accidental pollution. MARPOL specifies standards for stowing, handling, shipping, and transferring pollutant cargoes, as well as standards for discharge of ship-generated operational wastes. Acceptance of the convention by national government obliges them to make the requirements part of domestic law. USCG, *Office of Commercial Vessel Compliance*, <https://www.dco.uscg.mil/Our-Organization/Assistant-Commandant-for-Prevention-Policy-CG-5P/Inspections-Compliance-CG-5PC-/Commercial-Vessel-Compliance/Domestic-Compliance-Division/MARPOL/> (last visited Mar. 1, 2021).

⁷ See John T. Oliver, *Legal and Policy Factors Governing the Imposition of Conditions on Access and Jurisdiction Over Foreign-Flag Vessels in U.S. Ports*, 5 S.C. J. Int'l. L. & Bus. 209, 2 (2009) footnotes 153 & 154. 42 U.S.C. § 267(a): “[The Surgeon General] shall from time to time select suitable sites for and establish such additional ... anchorages in the States and possessions of the United States as in his judgment are necessary to prevent the introduction of communicable diseases into the States and possessions of the United States.” “It shall be the duty of the customs officers and of Coast Guard officers to aid in the enforcement of quarantine rules and regulations” U.S.C. § 268(b). Congress has provided statutory authority for controlling infectious diseases, including quarantining of suspect vessels and their crews and passengers. 42 U.S.C. §§ 264-272. The President regularly updates the list of communicable diseases subject to quarantine. Exec. Order No. 13,295, Apr. 4, 2003, 68 Fed. Reg. 17,255 (Apr. 9, 2003), reprinted in 42 U.S.C. § 264, as amended by Exec. Order No. 13,375, Apr. 1, 2005, 70 Fed. Reg. 17299 (Apr. 5, 2005). He has also delegated to the Secretary of Health and Human Services his authority to carry out duties under the statute.

has consistently determined that federal supremacy principles mandate preemption of efforts of state and local governments to impose conditions on port entry that federal laws already cover.⁸

The United State Coast Guard (USCG) regulates all commercial vessels, including cruise vessels, calling on U.S. ports, regardless of the vessel's county of origin, and inspect each foreign-flagged cruise vessel calling on a U.S. port at least twice a year to ensure compliance with certain treaties and U.S. regulations governing safety, security, and environmental protections.⁹

Federal law does allow a state to regulate its ports and waterways, so long as the regulation is based on the peculiarities of local waters that call for special precautionary measures.¹⁰ For example, Title I of the Ports and Waterways Safety act does not preempt a state regulation directed to local circumstances and problems, such as water depth and narrowness, idiosyncratic to a peculiar port or waterway, if the USCG has not adopted regulations on the subject or determined that regulation is unnecessary or inappropriate.¹¹ A review of relevant case law suggests, however, that clear identification of the extent of a state's authority to regulate its ports and waterways is nonetheless elusive.

As for county and municipal governments, even when a state has authority concurrent with federal law, sometimes counties and cities do not. As an example, federal law relating to marine sanitation devices and discharges, 33 U.S.C. §1322(f)(A) provides that “no State or political subdivision” may adopt and enforce a statute or regulation that is more stringent than those promulgated under that section, while 33 U.S.C. §1322(f)(B) provides that “a State” may adopt and enforce a statute or regulation with respect to the design, manufacture, installation, or use of any marine sanitation device on a houseboat.

Federal Preemption

With respect to interstate commerce, the U.S. Supreme Court has discussed the historical development of and the modern test for any challenge to a state's authority to regulate:

Modern precedents rest upon two primary principles that mark the boundaries of a State's authority to regulate interstate commerce. First, state regulations may not discriminate against interstate commerce; and second, States may not impose undue burdens on interstate commerce. State laws that discriminate against interstate commerce face “a virtually *per se* rule of invalidity.” State laws that “regulat[e] even-handedly to effectuate a legitimate local public interest... will be upheld unless the

⁸ See *United States v. Locke*, 471 U.S. 84 (1985).

⁹ U.S. House of Representatives, Subcommittee on Coast Guard and Maritime Transportation, *Hearing on “Commercial and Passenger Vessel Safety: Challenges and Opportunities*, p. 4 (Nov. 9 2019), available at <https://www.congress.gov/116/meeting/house/110181/documents/HHRG-116-PW07-20191114-SD001.pdf> (last visited April 13, 2021).

¹⁰ Ports and Waterways Safety Act of 1972, 33 U.S.C. §1223(a) (2006). There is no pre-emption by operation of Title I of the Ports and Waterways Safety Act if the state regulation is directed to local circumstances and problems, such as water depth and narrowness, idiosyncratic to a particular port or waterway, and if the Coast Guard has not adopted regulations on the subject or determined that regulation is unnecessary or inappropriate.

¹¹ See *United State v. Locke*, 529 U.S. 89,109 (2000).

burden imposed on such commerce *is clearly excessive in relation to the putative local benefits.*” Although subject to exceptions and variations, these two principles guide the court in adjudicating cases challenging state laws under the Commerce Clause.¹²

State Preemption

Municipalities and counties derive broad home rule authority from the Florida Constitution and general law. Local governments have broad authority to legislate on any matter that is not inconsistent with federal or state law. A local government enactment may be inconsistent with state law if (1) the Legislature “has preempted a particular subject area” or (2) the local enactment conflicts with a state statute. Where state preemption applies it precludes a local government from exercising authority in that particular area.¹³

Florida law recognizes two types of preemption: express and implied. Express preemption requires a specific legislative statement; it cannot be implied or inferred.¹⁴ Express preemption of a field by the Legislature must be accomplished by clear language stating that intent.¹⁵ In cases where the Legislature expressly or specifically preempts an area, there is no problem with ascertaining what the Legislature intended.¹⁶ In cases determining the validity of ordinances enacted in the face of state preemption, the effect has been to find such ordinances null and void.¹⁷

Florida Ports

Florida is home to 15 deep-water seaports, including: Port Canaveral, Port Citrus, Port Everglades, Port of Fernandina, Port of Fort Pierce, Port of Jacksonville, Port of Key West, Port Manatee, Port of Miami, Port of Palm Beach, Port of Panama City, Port of Pensacola, and Port of Port St. Joe, Port of St. Petersburg, and Port of Tampa.¹⁸

¹² See *South Dakota v. Wayfair, Inc.*, 138 S.Ct. 2080, 2091 ((2018)). Citations and internal quotation marks omitted. Emphasis added.

¹³ Wolf, *The Effectiveness of Home Rule: A Preemptions and Conflict Analysis*, 83 Fla. B.J. 92 (June 2009). Historically, certain types of local action have been found to frustrate the purpose of state law, and, thus, conflict has resulted. Specifically, Florida jurisprudence makes clear that local action cannot 1) provide for more stringent regulation than the state legislation in violation of the express wording of the statute; 2) provide for a more stringent penalty than that allowed by state statute; 3) prohibit behavior otherwise allowed by state legislation; 4) allow behavior otherwise prohibited by state statute; or 5) provide for a different method for doing a particular act than the method proscribed by state legislation. Generally, a local government can pass more stringent regulations than those provided for by statute. However, if the state legislation expressly forbids a stricter regulation or if the imposition of a stricter regulation frustrates the purpose of the statute, the local government must abstain. As an example of express prohibition, current law recognizes that the legislative body of each municipality has the power to enact legislation concerning any subject matter upon which the State Legislature may act, except among other items, “Any subject expressly preempted to state or county government by the constitution or by general law.” Section 166.021(3)(c), F.S.

¹⁴ See *City of Hollywood v. Mulligan*, 934 So. 2d 1238, 1243 (Fla. 2006); *Phantom of Clearwater, Inc. v. Pinellas County*, 894 So. 2d 1011, 1018 (Fla. 2d DCA 2005), approved in *Phantom of Brevard, Inc. v. Brevard County*, 3 So. 3d 309 (Fla. 2008).

¹⁵ *Mulligan*, 934 So. 2d at 1243.

¹⁶ *Sarasota Alliance for Fair Elections, Inc. v. Browning*, 28 So. 3d 880, 886 (Fla. 2010).

¹⁷ See, e.g., *Nat’l Rifle Ass’n of Am., Inc. v. City of S. Miami*, 812 So.2d 504 (Fla. 3d DCA 2002).

¹⁸ For a map of Florida’s deep-water seaports which indicates the primary streams of commerce (i.e. cargo, cruise passenger, other, or a combination thereof) see DOT, *Seaport System*, <https://www.fdot.gov/seaport/seamap.shtml> (last visited April 13, 2021).

Approximately half of Florida's deep-water ports are organized as independent or dependent special districts created by special act,¹⁹ and the remainder are organized within their respective municipal or county government. Four ports (Port of Key West, Port of St. Pete, Port of Panama City, Port of Pensacola) are departments, or an agency, of the respective municipalities. The Port of Key West is the only one of the four ports that currently offers cruise ship docking and related services.

According to the Florida Ports Council, Florida seaports generate nearly 900,000 direct and indirect jobs and contribute \$117.6 billion in economic value to the state through cargo and cruise activities. Florida maritime activities account for approximately 13 percent of Florida's gross domestic product while contributing \$4.2 billion in state and local taxes.²⁰ In 2018, approximately 110,268,130 tons of cargo and 16,835,986 passengers moved through Florida's seaports.²¹

State Law Relating to Seaports

Florida Seaport Transportation and Economic Development Program

In 1990, the Legislature created ch. 311, F.S., authorizing the Florida Seaport Transportation and Economic Development (FSTED) Program.²² The program established a collaborative relationship between the Florida Department of Transportation (FDOT) and the seaports and currently codifies an annual minimum of \$25 million for a seaport grant program.²³ FSTED funds are to be used on approved projects on a 50-50 matching basis.²⁴ Funding grants under the FSTED program are limited to the following port facilities or port transportation projects:

- Transportation facilities within the jurisdiction of the port;
- The dredging or deepening of channels, turning basins, or harbors;
- The construction or rehabilitation of wharves, docks, structures, jetties, piers, storage facilities, cruise terminals, automated people mover systems, or any facilities necessary or useful in connection with the foregoing;
- The acquisition of vessel tracking systems, container cranes, or other mechanized equipment used in the movement of cargo or passengers in international commerce;
- The acquisition of land to be used for port purposes;
- The acquisition, improvement, enlargement, or extension of existing port facilities;
- Environmental protection projects: which are necessary because of requirements imposed by a state agency as a condition of a permit or other form of state approval; which are necessary for environmental mitigation required as a condition of a state, federal, or local environmental permit; which are necessary for the acquisition of spoil disposal sites; or which result from the funding of eligible projects;

¹⁹ See Florida Department of Economic Opportunity, *Special District Accountability Program*, available at <http://specialdistrictreports.floridajobs.org/webreports/criteria.aspx> (last visited March 5, 2021).

²⁰ Florida Ports Council, *The Florida System of Seaports*, <https://flaports.org/about/the-florida-system-of-seaports/> (last visited April 13, 2021).

²¹ FDOT, *2018 Update of Tables and Figures*, p.4, https://fdotwww.blob.core.windows.net/sitefinity/docs/default-source/seaport/pdfs/2018-update-of-tables-and-figures-florida-seaport-system-plan-717752830.pdf?sfvrsn=e1879b60_2 (last visited April 13, 2021).

²² Chapter 90-136, L.O.F.

²³ Sections 311.07 and 311.09, F.S.

²⁴ Section 311.07(3)(a), F.S.

- Transportation facilities which are not otherwise part of the FDOT's adopted Work Program.²⁵
- Intermodal access projects;
- Construction or rehabilitation of port facilities, excluding any park or recreational facility, in ports listed in s. 311.09(1), F.S.,²⁶ with operating revenues of \$5 million or less, provided that such project creates economic development opportunities, capital improvements, and positive financial returns to such ports; and
- Seaport master plan or strategic plan development updates, including the purchase of data to support such plans or other provisions of the Community Planning Act.²⁷

The FSTED program is managed by the FSTED Council, which consists of the port director, or director's designee of the 15 deep-water ports, the Secretary of the FDOT or his or her designee, and the Executive Director of the Department of Economic Opportunity or his or her designee.²⁸ In order for a project to be eligible for consideration by the FSTED Council, a project must be consistent with the port's comprehensive master plan, which is incorporated as part of the approved local government comprehensive plan.

Community Planning Act

The Community Planning Act includes four primary references to deep-water ports:

Section 163.3177(6)(b), F.S., identifies different levels of transportation analysis that must be included in a local government's comprehensive plan transportation element based on the size and location of the local government and whether it is in the metropolitan planning area of a Metropolitan Planning Organization. At a minimum, traffic circulation issues related to ports must be addressed as well as plans for port facilities. Additionally, cities greater than 50,000 persons and counties greater than 75,000 persons must address "Plans for port . . . and related facilities coordinated with the general circulation and transportation element." Some or all of these requirements can be addressed in the port master plan.

Section 163.3177(6)(g)8., F.S., requires that the comprehensive plan's coastal management element "Direct the orderly development, maintenance, and use of ports to facilitate deep-water commercial navigation and other related activities." This requirement can be addressed in the port master plan.

Section 163.3178(2)(k), F.S., requires that port master plans be included in the local government's coastal management element and requires that port master plans identify existing port facilities and any proposed expansions. To the extent that they are applicable, port master plans must also address the following requirements:

- Provide a land use and inventory map of existing coastal uses;
- Analyze the environmental, socioeconomic, and fiscal impact of development;
- Analyze effects of existing drainage systems on estuarine water quality;

²⁵ FDOT's Work Program is adopted pursuant to s. 339.135, F.S.

²⁶ The ports listed in s. 311.09(1), F.S., are the ports of Jacksonville, Port Canaveral, Port Citrus, Fort Pierce, Palm Beach, Port Everglades, Miami, Port Manatee, St. Petersburg, Tampa, Port St. Joe, Panama City, Pensacola, Key West, and Fernandina.

²⁷ Part II of Ch. 163, F.S.

²⁸ Section 311.09(1), F.S.

- Outline principles for hazard mitigation and protection of human life;
- Outline principles for protecting existing beach and dune systems;
- Outline principles to eliminate inappropriate and unsafe development;
- Identify public access to shoreline areas and preservation of working waterfronts;
- Designate coastal high-hazard areas and mitigation criteria;
- Outline principles to assure that public facilities will be in place; and
- Mitigate the threat to human life and protect the coastal environment.

Section 163.3178(3), F.S., provides that certain eligible port expansions, projects, and facilities, both on the port and within three miles of the port, cannot be designated as Developments of Regional Impact if they are consistent with an in compliance port master plan.

Port Facility Financing

Section 315.03, F.S. authorizes any county, port district,²⁹ port authority,³⁰ municipality or certain governmental units created pursuant to the Florida Interlocal Cooperation Act³¹ that includes at least one deep-water port to:

- Exercise jurisdiction, control and supervision over any port facilities now or hereafter acquired, owned, or constructed by the local government(s).
- Operate and maintain, and to fix and collect rates, rentals, fees and other charges for any of the services and facilities provided by the port facilities now or hereafter acquired, owned or constructed by the unit excluding state bar pilots.
- Lease or rent, or contract with others for the operation of all or any part of any port facilities now or hereafter acquired, owned or constructed by the unit, on such terms and for such period or periods and subject to such conditions as the governing body shall determine to be in the best interests of the local government(s).

Vessel Movement and Related Fees

Section 313.22, F.S., authorizes ports to regulate vessel movements within its jurisdiction, whether involving public or private facilities or areas, by:

- Scheduling vessels for use of berths, anchorages, or other facilities at the port.
- Ordering and enforcing a vessel, at its own expense and risk, to vacate or change position at a berth, anchorage, or facility, whether public or private, in order to facilitate navigation, commerce, protection of other vessels or property, or dredging of channels or berths.
- Designating port facilities for the loading or discharging of vessels.
- Assigning berths at wharves for arriving vessels.

Ports are authorized to establish fees and compensation for these services when provided by the port.

²⁹ A “port district” is any district created by or pursuant to the provisions of any general or special law and authorized to own or operate any port facilities. Section 315.02(1), F.S.

³⁰ A “port authority” is created by or pursuant to the provisions of any general or special law or any district or board of county commissioners acting as a port authority under or pursuant to the provisions of any general or special law. Section 315.02(2), F.S.

³¹ Section 163.01(7)(d), F.S.

Harbor Safety

Ports, in agreement with the United States Coast Guard, state harbor pilots, and other ports in its operating port area, must adopt guidelines for:

- Minimum bottom clearance for each berth and channel,
- The movement of vessels, and
- Radio communications of vessel traffic for all commercial vessels entering and leaving its harbor channels.³²

County Seaport Projects and Facilities

Section 125.012, F.S. confers broad authority to counties to provide for port improvements within their jurisdiction, including the ability to:

- Construct, acquire, establish, improve, extend, enlarge, reconstruct, equip, maintain, repair, and operate any project³³, either within or without the territorial boundaries of the county.
- Subject to the jurisdiction of the United States and the State of Florida and the general laws of Florida relating to dredging and filling, to construct, establish, and improve harbors in the county and all navigable and nonnavigable waters connected therewith; to regulate and control all such waters; to construct and maintain such canals, slips, turning basins, and channels and upon such terms and conditions as may be required by the United States; and to enact, adopt, and establish by resolution rules and regulations for the complete exercise of jurisdiction and control over all such waters.
- To appoint shipping masters for ports or harbors under its control, to determine their qualifications, and to adopt rules and regulations prescribing their duties.
- To license stevedores as independent contractors for hire to handle stevedoring at and in the harbors and airports in the county, to fix the terms and conditions of such licenses, and to determine the fees to be charged for same.
- To make and enter into all contracts and agreements and to do and perform all acts and deeds necessary and incidental to the performance of its duties and the exercise of its powers.
- To fix, regulate, and collect rates and charges for the services and facilities furnished by any project under its control; to establish, limit, and control the use of any project as may be deemed necessary to ensure the proper operation of the project; to impose sanctions to promote and enforce compliances; to prescribe rules and regulations and impose penalties and sanctions to ensure the proper performance of the duties of any stevedore or of any shipping master and the enforcement of any rule or regulation which the county may adopt in the regulation of the ports, harbors, wharves, docks, airports, and other projects under its control.
- To fix the rates of wharfage, dockage, warehousing, storage, and port and terminal charges for the use of the port and harbor facilities located within or without the county and owned or operated by the county; and to fix and determine the rates, tolls, and other charges for the use of harbor and airport improvements and harbor and airport facilities located within or without

³² Section 313.23, F.S.

³³ Section 125.011(2)(a), F.S., defines “project” as one or more of the following: “harbor, port, shipping, and airport facilities of all kinds and includes, but is not limited to, harbors, channels, turning basins, anchorage areas, jetties, breakwaters, waterways, canals, locks, tidal basins, wharves, docks, piers, slips, bulkheads, public landings, warehouses, terminals, refrigerating and cold storage plants, railroads and motor terminals for passengers and freight, rolling stock, car ferries, boats, conveyors and appliances of all kinds for the handling, storage, inspection and transportation of freight and the handling of passenger traffic, ... and the loading and unloading and handling of passengers, mail, express and freight.”

the county insofar as it may do so under the State Constitution and the Constitution and laws of the United States.

- To regulate the operation, docking, storing, and conduct of all watercraft of any kind plying or using the waterways within the county and of all aircraft of any kind operating over and within the county or utilizing any other area, field, location, or place within the county for air navigation purposes or for the repair, storage, or handling of aircraft within the county.
- To receive and accept, from any federal agency, grants for or in aid of the construction, improvement, or operation of any project and to receive and accept contributions from any source of either money, property, labor, or other things of value.
- To make any and all applications required by the Treasury Department and other departments or agencies of the United States Government as a condition precedent to the establishment within the county of a free port, foreign trade zone, or area for the reception from foreign countries of articles of commerce; to expedite and encourage foreign commerce and the handling, processing, and delivery thereof into foreign commerce free from the payment of custom duties and to enter into any agreements required by such departments or agencies in connection therewith; and to make like applications and agreements with respect to the establishment within the county of one or more bonded warehouses.
- To enter into any contract with the government of the United States or any agency thereof which may be necessary in order to procure assistance, appropriations, and aid for the deepening, widening, and extending of channels and turning basins, the building and construction of public mass transit facilities, airport and airport facilities, slips, wharves, breakwaters, jetties, bulkheads, and any and all other harbor and air navigation improvements and facilities.
- To make or cause to be made such surveys, investigations, studies, borings, maps, plans, drawings, and estimates of cost and revenues as it may deem necessary and to prepare and adopt a comprehensive plan or plans for the location, construction, improvement, and development of any project.
- To grant exclusive or nonexclusive franchises to persons, firms, or corporations for the operating of restaurants, cafeterias, bars, taxicabs, vending machines, and other concessions of a nonaeronautical nature in, on, and in connection with any project owned and operated by the county.
- To adopt and promulgate suitable rules, regulations, and directions for the operation and conduct of any project owned or operated by the county and for the use of any such project and any facility connected therewith by others.
- To enter into contracts with utility companies or others for the supplying by such utility companies or others of water, electricity, or telephone service to or in connection with any project.
- To own, maintain, operate, and control export trading companies, foreign sales corporations, and consulting services corporations as provided by the laws of the United States or this state; to enter into management contracts with such corporations or companies established for the purpose of providing or operating such facilities; to own, maintain, operate, and control cargo clearance centers and customs clearance facilities, and to enter into management contracts with corporations established for the purpose of providing or operating such facilities; to maintain the confidentiality of trade information and data pursuant to the patent or copyright laws of the United States, pursuant to the patent or copyright laws of foreign nations to the extent that same are enforced by the courts of the United States, and pursuant

to the trade secrets doctrine; and to authorize airport and port employees to serve as officers and directors of export trading companies, foreign sales corporations, customs and cargo clearance corporations, and consulting services corporations for the sale of services to others. Counties are authorized to expend any unobligated and available surplus funds from the authorized activities for the construction of capital facilities.

Passenger Transportation Fees and For-hire Vehicles

Sections 316.85(6), and 627.748(17)(b), F.S., acknowledge the ability of a seaport to charge reasonable fees to for-hire vehicles for their use of the airport's or seaport's facilities as well as designate locations for staging, pickup, or other similar operations at the seaport.

Areas of Critical State Concern

The Areas of Critical State Concern Program “is intended to protect resources and public facilities of major statewide significance, within designated geographic areas, from uncontrolled development that would cause substantial deterioration of such resources.”³⁴

According to the Florida Department of Economic Opportunity:

The Department reviews all local development projects within the designated areas and may appeal to the Florida Land and Water Adjudicatory Commission any local development orders that are inconsistent with state guidelines and local comprehensive plans and regulations. The Department also is responsible for reviewing and approving amendments to comprehensive plans and land development regulations proposed and adopted by local government within the designated areas.³⁵

Currently designated areas of critical state concern include the:

- Big Cypress Area (portions of Collier, Miami-Dade, and Monroe Counties).
- Green Swamp Area (portions of Polk and Lake Counties).
- City of Key West and the Florida Keys Area (Monroe County).
- Apalachicola Bay Area (Franklin County).

The Port of Key West appears to be the only currently designated area of critical state concern in which a seaport that accommodates cruise ships is located.

Recent Developments in Key West

CS/CS/CS/SB 426 appears to be generated in part by three petition initiatives to amend the City of Key West (the City) charter. The three amendments:

³⁴ See Florida Department of Economic Opportunity, *Areas of Critical State Concern Program*, available at [Florida Areas of Critical State Concern - FloridaJobs.org](https://www.floridajobs.org/critical-state-concern) (last visited April 12, 2021).

³⁵ *Id.* See also s. 380.05, F.S.

- Limited the number of persons disembarking from cruise ships to a total of not more than 1,500 per day at any and all public and privately owned or leased property located within the municipal boundary of the City;
- Prohibited any cruise ship with a capacity of 1,300 or more persons from disembarking individuals at any and all public or privately owned or leased property located within the City.
- Prohibited any cruise ship with a capacity of 1,300 or more persons from disembarking individuals at any and all public or privately owned or leased property located within the City.

The proposed initiatives were placed on the November 3, 2020, general election ballot and, after some preliminary litigation which failed to remove the initiatives from the ballot, Key West voters approved the City charter amendments. Apparently due to COVID-19, no cruise ships are currently sailing into the Port of Key West.³⁶ According to the City's website, the Port of Key West currently has three docking facilities, the City-owned Mallory Square Dock, the privately-owned Pier B, and the Navy Mole Pier.³⁷ The cruise schedule link on the City's website shows no scheduled cruises until June of this year.³⁸

III. Effect of Proposed Changes:

The bill sets out a number of revised "whereas" clauses and creates a new section of law relating to regulation of commerce in Florida seaports.

Section 1 creates s. 311.25, F.S., prohibiting a local ballot initiative or referendum from restricting maritime commerce in Florida's seaports. The prohibition applies, but is not limited, to restricting such commerce based on any of the following:

- Vessel type, size, number, or capacity
- Number, origin, nationality, embarkation, or disembarkation of passenger or crew or their entry into this state of any local jurisdiction.
- Source, type, loading, or unloading of cargo.
- Environmental or health records of a particular vessel or vessel line.

The bill prohibits, voids, and expressly preempts to the state any local ballot initiative or referendum, and any local law, charter amendment, ordinance, resolution, regulation, or policy in a local ballot initiative or referendum in violation of the prohibition, adopted before, on, or after the effective date of the act. This provision voids the recently enacted City of Key West charter amendments.

The bill also prohibits a local government, or a political subdivision or special district thereof, from restricting maritime commerce in any seaport of this state located in or adjoining an area

³⁶ The Center for Disease Control and Prevention issued a No Sail Order that expired on October 21, 2020, and subsequently announced a framework for conditional sailing, described as a phased resumption of cruise ship passenger operations, and "establishing requirements to mitigate the COVID-19 risk to passengers and crew, prevent the further spread of COVID-19 from cruise ships into U.S. communities, and protect public health and safety." The order may be viewed at https://www.cdc.gov/quarantine/pdf/CDC-Conditional-Sail-Order_10_30_2020-p.pdf (last visited March 3, 2021).

³⁷ See City of Key West, Florida, *Cruise Ships/Marine Services*, available at <https://www.cityofkeywest-fl.gov/158/Cruise-Ships-Marine-Services> (last visited April 13, 2021).

³⁸ *Id.* (Scroll down to find the link.)

designated as an area of critical state concern, with respect to any federally authorized passenger cruise vessel, including, but not limited to, a restriction based on any of the following:

- Vessel type, size, number, or capacity, except when the port, by virtue of the physical limitations of its docking, berthing, or navigational capabilities, is unable to accommodate a passenger cruise vessel pursuant to applicable federal or state laws or regulations.
- Number, origin, nationality, embarkation, or disembarkation of passengers or crew or their entry into this state or any local jurisdiction.
- Source, type, loading, or unloading of cargo related or incidental to its use as a passenger cruise vessel.
- Environmental or health records of a particular passenger cruise vessel or cruise line.

The bill prohibits, voids, and expressly preempts to the state any conflicting provision of a local law, a charter, an ordinance, a resolution, a regulation, a policy, an initiative, or a referendum existing before, on, or after the effective date of the act. These provisions do not apply to a special district established for port management by special act of the Legislature and, except for the prohibition against a local ballot initiative or referendum restricting maritime commerce in Florida's seaports as specified, do not otherwise limit the authority of a subject local government, or political subdivision or special district thereof, to:

- Engage in any activity authorized under ch. 311, ch. 315, s. 313.22, or s. 313.23, F.S., including those surrounding the continued operation and development of the port and port facilities and the implementation of seaport security measures pursuant to ss. 311.12-311.124, F.S.
- Issue and enforce tariffs properly filed with the Federal Maritime Commission.
- Enter into leases, terminal agreements, or other contracts with tenants, customers, and other users of port facilities.

Because the Port of Key West is currently the only locally-governed port located in or adjoining an area of critical state concern and offering cruise vessel docking and related services, the bill's prohibitions appear to apply only to the Port of Key West.

Section 2 sets out a severability clause.

Section 3 directs the Division of Law Revision to replace the phrase "the effective date of this act" wherever it occurs in the act with the date the act becomes law.

Section 4 provides the bill takes effect upon becoming law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Given the current COVID-related environment and the Center for Disease Control and Prevention's (CDC) conditional sail order, the fiscal impact to the cruise industry is indeterminate.

C. Government Sector Impact:

Given the current COVID-related environment and the CDC's conditional sail order, the fiscal impact to state and local government is indeterminate.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill creates section 311.25 of the Florida Statutes.

IX. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS/CS/CS by Rules on April 14, 2021:

The CS:

- Prohibits a local government, or a political subdivision or special district thereof, from restricting maritime commerce in any seaport of this state located in or

adjoining an area designated as an area of critical state concern, with respect to any federally authorized passenger cruise vessel, including, but not limited to, a restriction based on specified criteria.

- Prohibits, voids, and expressly preempts to the state any conflicting provision of a local law, a charter, an ordinance, a resolution, a regulation, a policy, an initiative, or a referendum existing before, on, or after the effective date of the act.
- Includes a severability clause.

CS/CS by Community Affairs on March 24, 2021:

The CS:

- Provides that any local policy regulating seaports in violation of the bill is expressly preempted to the state.
- Provides that a special district established for port management by special act of the Legislature is exempt from the bill's application and removes the reference to a special district within the boundaries of a single municipality.
- Provides that the regulations of a municipality or political subdivision thereof may not restrict maritime commerce "including, but not limited to," the regulations specified in the bill.
- Provides an exemption for municipalities that have been consolidated with a county (i.e., the city of Jacksonville) from the bill's application. The amendment preserves the original exemption for municipalities that are also counties as defined in s. 125.011(1), F.S. (i.e., Miami-Dade County).
- Provides that the restrictions imposed by the bill do not otherwise limit the authority of a relevant governmental entity to manage seaport commerce as provided by specified Florida statutes, issue and enforce tariffs, and enter into contracts related to the port facility operations.

CS by Transportation on March 10, 2021:

The CS:

- Prohibits a local ballot initiative or referendum from restricting maritime commerce in Florida's seaports based on specified criteria.
- Prohibits and voids a local ballot initiative or referendum, or any local law, charter amendment, ordinance, resolution, regulation, or policy adopted in a local ballot initiative or referendum in violation of the prohibition before, on, or after the effective date of the act.
- Prohibits a municipality or political subdivision thereof, or a special district within the boundaries of a single municipality from restricting maritime commerce in the seaports with respect to any federally authorized passenger cruise vessel based on specified criteria.
- Prohibits and voids any conflicting provision of a law, a charter, an ordinance, a resolution, a regulation, a policy, an initiative, or a referendum existing before, on, or after the effective date of the act.

B. Amendments:

None.

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