HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 1397 Regional Transportation Planning SPONSOR(S): Transportation & Modals Subcommittee, McClure TIED BILLS: IDEN./SIM. BILLS: CS/SB 1532

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Transportation & Modals Subcommittee	16 Y, 0 N, As CS	Lewis	Hinshelwood
2) Infrastructure Strategies Committee	20 Y, 0 N	Lewis	Harrington

SUMMARY ANALYSIS

The bill provides legislative intent to explore the dissolution or transfer of the governance, staff, operations, funding, and facilities of the Hillsborough Area Regional Transit Authority (HART) with the goal of enhancing regional transit service and connectivity in the Tampa Bay Area. The Legislature finds that the coordination of transportation planning, especially regional, is critical to the safe and efficient management, operation, and development of public transit systems considering Florida's rapid population growth.

The bill requires the Department of Transportation (DOT), or its consultant, to conduct a study on the potential dissolution of HART. The bill provides required elements of the study.

The bill requires DOT to submit a report detailing the results of the study to the Governor, the President of the Senate, and the Speaker of the House of Representatives by January 1, 2024.

The bill has an indeterminate fiscal impact on state government and no fiscal impact on local governments or the private sector.

The bill has an effective date of July 1, 2023.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Background

Regional Transit Authorities

Under Florida law, any two or more contiguous counties, municipalities, other political subdivisions, or combinations, are authorized to convene a charter committee for the purpose of developing a charter under which a regional transportation authority may be constituted, composed, and operated. However, no county, municipality, or other political subdivision may be a member of more than one regional transportation authority.^{1,2}

Regional transportation authorities have the ability to purchase, own, or operate, or provide for the operation of, transportation facilities; to contract for transit services; to exercise power of eminent domain limited to right-of-way and contiguous transportation facility acquisition; to conduct studies; and to contract with other governmental agencies, private companies, and individuals. However, no public transportation system shall be purchased, owned, or operated that would compete with existing private transportation companies, or implement a new transportation system of the same mode where comparable service is operating without first purchasing through negotiation.³

Regional transportation authorities also have the power to develop transportation plans, and to coordinate its planning and programs with those of appropriate local and state agencies. All transportation plans are subject to review and approval by the Department of Transportation (DOT) and by the regional planning agency, if any, for consistency with programs or planning for the area and region.⁴

Hillsborough Area Regional Transit Authority (HART)

The Hillsborough Area Regional Transit Authority (HART) was created in October of 1979 to plan, finance, acquire, construct, operate, and maintain mass transit facilities and to supply transportation assistance in Hillsborough County.⁵ Membership of HART consists of 14 members as follows: 7 Hillsborough County Commissioners; 4 members from the City of Tampa, including the mayor or a city council member; 1 member from the City of Temple Terrace, either the mayor or a city council member; and 2 state representatives appointed by the Governor. All members serve three-year terms.⁶

Prior Study on Potential Merger of Pinellas Suncoast Transit Authority (PSTA) and HART

In 2012, the Legislature passed HB 599 requiring PSTA and HART to conduct a study regarding increasing efficiencies through a possible merger. The 2012 study found that merging the two agencies could save an estimated \$2.4 million. A more detailed study conducted by KPMG, an accounting firm, in 2014 decreased that number to \$339,000 due to costs associated with severance pay for the laid-off

¹ S. 163.567, F.S.

² This should not be confused with the statutory language in ch. 343, F.S., which creates other regional transportation authorities including the South Florida Regional Transportation Authority, the Central Florida Transportation Authority, and the Tampa Bay Area Regional Transit Authority.

³ S. 163.568(1), F.S.

⁴ S. 163.568(2)(i), F.S.

⁵ HART, About HART, <u>http://www.gohart.org/Pages/AboutUS-HART.aspx</u> (last visited Mar. 12, 2023).

⁶ Hillsborough County Florida, *HART*, <u>https://www.hillsboroughcounty.org/en/government/boards-and-committees/e-l/hart</u> (last visited Mar. 12, 2023).

workers and increased pay for the remaining employees. The KPMG study also noted that cutting positions could lead to service reductions and the end of on-going projects across the service areas.⁷

Effect of the Bill

The bill provides legislative intent to explore the dissolution or transfer of the governance, staff, operations, funding, and facilities of HART with the goal of enhancing regional transit service and connectivity in the Tampa Bay Area. The Legislature finds that the coordination of transportation planning, especially regional, is critical to the safe and efficient management, operation, and development of public transit systems considering Florida's rapid population growth.

The bill requires DOT, or its consultant, to conduct a study on the potential dissolution of HART. The study must address all of the following:

- The dissolution of the governance structure, including governing board membership, powers, and responsibilities.
- The drawdown or transfer of staff.
- The transfer of financial assets and obligations.
- The transfer of responsibilities and administered programs.
- The transfer of facilities and operations.
- Impacts to federal or state grants or funds.
- Any legal or financial impediments to or limitations on such dissolution.
- The advantages and disadvantages of dissolution or transfer.
- Any other matters deemed necessary or appropriate by the department.

The bill requires DOT to submit a report detailing the results of the study to the Governor, the President of the Senate, and the Speaker of the House of Representatives by January 1, 2024.

- B. SECTION DIRECTORY:
 - **Section 1** Provides legislative intent; requires DOT to conduct a study.
 - **Section 2** Provides an effective date of July 1, 2023.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

- A. FISCAL IMPACT ON STATE GOVERNMENT:
 - 1. Revenues:

None.

2. Expenditures:

Indeterminate. The bill requires DOT to conduct a study but does not provide an appropriation to cover the cost of the study.

- B. FISCAL IMPACT ON LOCAL GOVERNMENTS:
 - 1. Revenues:

None.

2. Expenditures:

None.

STORAGE NAME: h1397c.ISC DATE: 4/10/2023

⁷ Anna Phillips, *Report Finds Few Savings in Merger of HART, PSTA*, Tampa Bay Times (Jan. 18, 2014), <u>https://www.tampabay.com/archive/2014/01/18/report-finds-few-savings-in-merger-of-hart-psta/</u> (last visited Mar. 12, 2023).

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

The bill does not specify any required action by HART regarding the dissolution or transfer of the governance, staff, operations, funding, or facilities. Therefore, the bill does not appear to have a fiscal impact on HART.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. The bill does not appear to require counties or municipalities to spend funds or take action requiring the expenditure 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.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

On March 15, 2023, the Transportation & Modals Subcommittee considered one amendment, which was adopted, and reported the bill favorably as a committee substitute. The committee substitute differs from HB 1397 in that it:

- Removes the legislative intent to study the merger of the Hillsborough Area Transit Authority (HART) and the Pinellas Suncoast Transit Authority (PSTA).
- Removes the legislative intent to study the dissolution of PSTA.
- Clarifies the legislative intent to study the dissolution or transfer of the governance, staff, operations, funding, and facilities of HART.
- Revises the study conducted by DOT, or its consultant, to only study the potential dissolution of HART and updates the components of the study.

The staff analysis has been updated to reflect the committee substitute.