HOUSE OF REPRESENTATIVES STAFF FINAL BILL ANALYSIS

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

FINAL HOUSE FLOOR ACTION: 114 Y's 0 N's GOVERNOR'S ACTION: Approved

SUMMARY ANALYSIS

CS/HB 1397 passed the House on April 26, 2023, as amended, and subsequently passed the Senate on May 4, 2023.

The bill provides that the Legislature finds, given Florida's rapid population growth, that the effective coordination of transportation planning and service delivery, particularly regional transportation mobility, is critical to the safe and efficient development, management, operation, and maintenance of public transit systems. The bill provides legislative intent to explore transformative changes to the policy management structure of the Hillsborough Area Regional Transit Authority (HART) to achieve organizational efficiencies with the goal of streamlining decisionmaking, improving transparency, and enhancing the effectiveness of local and regional public transit service delivery.

The bill requires the Department of Transportation (DOT), or its consultant, to conduct a study reviewing specified aspects of HART's organizational structure and operation and 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 was approved by the Governor on June 2, 2023, ch. 2023-188, L.O.F., and became effective on that date.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF 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

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.²

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.³

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.⁴ 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.⁵

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. This authority 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.

² S. 163.568(1), F.S.

³ S. 163.568(2)(i), F.S.

⁴ HART, About HART, <u>http://www.gohart.org/Pages/AboutUS-HART.aspx</u> (last visited Mar. 12, 2023).

⁵ 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.⁶

Effect of the Bill

The bill provides that the Legislature finds, given Florida's rapid population growth, that the effective coordination of transportation planning and service delivery, particularly regional transportation mobility, is critical to the safe and efficient development, management, operation, and maintenance of public transit systems. The bill provides legislative intent to explore transformative changes to the policy management structure of HART to achieve organizational efficiencies with the goal of streamlining decisionmaking, improving transparency, and enhancing the effectiveness of local and regional public transit service delivery.

The bill requires DOT, or its consultant, to conduct a study reviewing aspects of HART's organizational structure and operation. The study must address all of the following:

- The HART charter to evaluate the authority's governance structure, including governing board membership, funding, representation, terms, powers, duties, and responsibilities.
- Financial assets and obligations.
- Facilities and operations.
- Issues, advantages, disadvantages, and actions required regarding the dissolution of HART as an agency and options to continue transit services in Hillsborough County in the absence of HART, including service delivery, funding, and asset management.
- Issues, advantages, disadvantages, and actions required regarding collaboration, consolidation, or merger with other transportation service providers in the Tampa Bay region within or adjacent to Hillsborough County, including service delivery, funding, and asset management.
- Policies adopted by the HART governing board and the proposal of amendments thereto related to governance, roles, and responsibilities of governing board officers, the executive administrator or chief executive officer, and the general counsel.
- Any other matters deemed necessary or appropriate by DOT.

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.

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.

⁶ 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).

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.