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 Transportation							
BILL:	SB 1532						
INTRODUCER:	Senators Burgess and Collins						
SUBJECT:	Regional Transportation Planning						
DATE:	March 17,	2023	REVISED:				
ANALYST		STAFF	DIRECTOR	REFERENCE		ACTION	
1. Price		Vickers		TR	Pre-meeting		
2				ATD			
3.				FP		·	

I. Summary:

SB 1532 provides legislative findings and intent to explore the merger or dissolution of the governance, staff, operations, funding, and facilities of the Hillsborough Area Regional Transit Authority and the Pinellas Suncoast Transit Authority with the goal of enhancing regional transit service and connectivity in the Tampa Bay Area.

The bill directs the Florida Department of Transportation, or its consultant, to conduct a study of the potential merger of the Hillsborough Area Regional Transit Authority and the Pinellas Suncoast Transit Authority into one entity responsible for regional planning and operation of a public transit system covering the Tampa Bay Area.

The bill requires the study to address how the Hillsborough Area Regional Transit Authority and the Pinellas Suncoast Transit Authority could be merged to facilitate delivery of improved transit services in the Tampa Bay Area, as well as a list of specified items, including, but not limited to, the potential dissolution of the Hillsborough Area Regional Transit Authority and the advantages or disadvantages of such action.

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

The FDOT is expected to incur unknown costs associated with the study, which costs are expected to be absorbed within existing resources.

The bill takes effect July 1, 2023.

II. Present Situation:

Hillsborough Area Regional Transit Authority

The Hillsborough Transit Authority, operating and also known as HART, was created as a body politic and corporate under Chapter 163, Part V, ss. 163.567, et. seq, F.S., in October of 1979. HART was chartered for the purpose of providing mass transit service to its two original charter members, the City of Tampa and Hillsborough County. Thereafter, HART could admit to membership any county or municipality contiguous to one of its members upon application and after approval by a majority vote of the Board of Directors. The City of Temple Terrace was subsequently added to HART's membership.

Currently, HART is governed by a 14-member Board of Directors, as follows:²

- Seven Hillsborough County Commissioners;
- Four City of Tampa members, including either the mayor or a city council member;
- One City of Temple Terrace member, either the mayor or a city council member; and the
- Two members appointed by the Governor.³

HART's current service area covers approximately 1,000 square miles with a fleet of almost 200 buses,⁴ and also provides other services, such as HARTFLEX, which provides paratransit service;⁵ the free-fare TECO Line Streetcar System,⁶ and other alternative transportation services.⁷ Concerns surrounding HART's leadership and staffing have recently been reported.⁸

¹ Sections 163.565-163.572, F.S., the Regional Transportation Authority Law, authorize the creation of regional transportation authorities by any two or more contiguous counties, cities, or other political subdivisions, who 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. The law provides for a charter committee to be formed consisting of representatives of the affected local governments (by population formula) to develop a charter defining the powers and duties of the transportation authority and submit the charter to the Department of State. Once the charter is filed, the Governor must appoint two members to the board of directors of the transportation authority. The remaining membership of the board consists of representatives of the local governments. A transportation authority is authorized to incur debt, to levy ad valorem taxes (up to 3 mills, with county commission approval and by a majority of voters in the affected area), and has limited eminent domain powers.

² HART is an independent special district.

³ See hillsboroughcounty.org, *HART*, available at <u>Hillsborough County - HART</u> (last visited March 15, 2023). The members serve three-year terms.

⁴ See gohart.org, Bus Services, available at Bus Services | HART (gohart.org) (last visited March 15, 2023).

⁵ See gohart.org, Van Service, available at Van Service | HART (gohart.org) (last visited March 15, 2023).

⁶ See gohart.org, Teco Line Streetcar System, available at <u>TECO Line Steetcar System | HART (gohart.org)</u> (last visited March 15, 2023).

⁷ See gohart.org, Alternative Transportation, available at <u>Alternative Transportation | HART (gohart.org)</u> (last visited March 15, 2023).

⁸ See, e.g., cltamps.com, 'Staff feels demoralized': HART board members never saw a year-old peer review raising concerns over management, December 7, 2022, available at 'Staff feels demoralized': HART board members never saw a year-old peer review raising concerns over management | Tampa Bay News | Tampa | Creative Loafing Tampa Bay (cltampa.com); transittalent.com, Pledging truth and transparency, staff say HART CEO fostered fear and secrecy, December 16, 2022, available at Pledging truth and transparency, staff say HART CEO fostered fear and secrecy (transittalent.com); and tampbay.com, Investigation into HART CEO to continue, results to be public, December 6, 2023, available at Investigation into HART CEO to continue, results to be public (tampabay.com) (last visited March 15, 2023).

Pinellas Suncoast Transit Authority (PSTA)

The Pinellas Suncoast Transit Authority (PSTA), formerly known as the Central Pinellas Transit Authority (CPTA), was created by the "Pinellas Suncoast Transit Authority Law" by special act of the Legislature in 1970. Service began in 1973. The CPTA was renamed as the PSTA in 1982. In 1983, PSTA expanded their service area and merged with the St. Petersburg Municipal Transit System. In 1985, PSTA expanded their service area and merged with the St. Petersburg Municipal Transit System.

Currently, PSTA is governed by a 15-member Board of Directors (elected officials and two citizen members representing the identified cities and counties), with varying terms, as follows:¹¹

- Two members of the Pinellas County Commission;
- Two members of the Pinellas County Commission representing Clearwater;
- Two members from St. Petersburg;
- One member from Belleair, Belleair Bluffs, Gulfport, Kenneth City, Seminole, or South Pasadena;
- One member from Belleair Beach, Belleair Shore, Indian Rocks Beach, Indian Shores, Madeira Beach, North Redington Beach, Redington Beach, Redington Shores, St. Pete Beach, or Treasure Island;
- One member from Clearwater;
- One member from Dunedin;
- One member from Largo;
- One member from Oldsmar, Safety Harbor, or Tarpon Springs;
- One member from Pinellas Park;
- One citizen member of Pinellas County; and
- One citizen member of St. Petersburg. 12

PSTA currently operates 220 transit vehicles, 41 bus routes, including two express routes to Hillsborough County, and 4,395 bus stops. ¹³ PSTA also provides other services, such as the Central Avenue Trolley, running from the St. Petersburg Pier to Pass-a-Grille Beach; ¹⁴ paratransit services; ¹⁵ free rides between home and health destinations throughout Tarpon Springs for low income riders 65 years or older; and other specialized programs such as U-PASS and emergency rides home. ¹⁶

Prior Study on Potential Merger

In 2012, the Legislature passed HB 599 requiring PSTA and HART to conduct a study regarding increasing efficiencies through a possible merger. The initial study conducted in 2012 found that

⁹ See Chapters 70-907, 82-368, 82-416, 90-449, 91-338, 94-433, 94-438, 99-440, 00-424, and 02-341, L.O.F.

¹⁰ See psta.net, PSTA History and Facts, available at History and Facts | PSTA (last visited March 15, 2023).

¹¹ PSTA is an independent special district.

¹² See psta.net, Board of Directors, available at Board of Directors | PSTA (last visited March 15, 2023). Note that an asterisk beside a given city listed on the website indicates that the identified cities are not members of the Transit Authority. "St. Pete Beach and Treasure Island receive service via contract." *Id.*

¹³ Supra note 10.

¹⁴ See psta.net, Central Avenue Trolley, available at Trolley Services | PSTA (last visited March 15, 2023).

¹⁵ See psta.net, Healthy Hop, available at Healthy Hop | PSTA, (last visited March 15, 2023).

¹⁶ See psta.net, More Program, available at Special Programs | PSTA (last visited March 15, 2023).

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 workers and increased pay for the remaining employees. The study also noted that cutting positions could lead to service reductions and the end of on-going projects across the service areas.¹⁷

III. Effect of Proposed Changes:

The bill creates an undesignated section of Florida law providing legislative findings and intent to explore the merger or dissolution of the governance, staff, operations, funding, and facilities of HART and PSTA with the goal of enhancing regional transit service and connectivity in the Tampa Bay Area.

The bill directs the Florida Department of Transportation (FDOT), or its consultant, to conduct a study on the potential merger of HART and PSTA into one entity responsible for regional planning and operation of a public transit system covering the Tampa Bay Area. The study must address how HART and PSTA could be merged to facilitate delivery of improved transit services in the area. The elements of the study must also address all of the following:

- Governance structure, including governing board membership, terms, responsibilities, officers, powers, duties, and responsibilities;
- Staff organization;
- Funding options and implementation of the merger;
- Facilities ownership and management;
- Financing of current and future facilities and operations;
- Current financial obligations and resources;
- Any legal or financial impediments to or limitations on such a merger;
- The advantages and disadvantages of a merged entity; and
- Any other matters deemed necessary or appropriate by the department.

The FDOT, or its consultant, as part of the study, must also study the potential dissolution of HART and the advantages and disadvantages of such action.

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

The bill takes effect July 1, 2023.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

¹⁷ See Phillips, A., Report Finds Few Savings in Merger of HART, PSTA, January 18, 2014, available at REPORT FINDS FEW SAVINGS IN MERGER OF HART, PSTA (tampabay.com) (last visited March 15, 2023).

	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.				
٧.	Fiscal Impact Statement:					
	A.	Tax/Fee Issues:				
		None.				
	B.	Private Sector Impact:				
		None.				
	C.	Government Sector Impact:				
		The FDOT is expected to incur unknown costs associated with the study, which costs are expected to be absorbed within existing resources.				
VI.	Techi	nical Deficiencies:				
	None.					
VII.	Relat	ed Issues:				
	None.					
/III.	Statu	tes Affected:				
	This b	oill creates an undesignated section of Florida law.				
IX.	Additional Information:					

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

A.

None.

R	Amend	ments.
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None.

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