

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 796

INTRODUCER: Senator Wright

SUBJECT: Seaports

DATE: March 13, 2023

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Price	Vickers	TR	Pre-meeting
2.			ATD	
3.			AP	

I. Summary:

SB 796 increases from \$25 million to \$50 million the annual minimum amount that must be made available from the State Transportation Trust Fund to fund the Florida Seaport Transportation and Economic Development Program. The Florida Department of Transportation is required to include in its annual legislative budget request \$50 million for the program.

The bill increases from \$35 million to \$70 million the annual minimum amount that must be made available from the State Transportation Trust Fund to fund the Strategic Port Investment Initiative.

Lastly, the bill removes obsolete language authorizing a Citrus County grant application that expired on July 1, 2014, and language authorizing a Putnam County grant application that is no longer needed; makes editorial revisions to improve readability; and reenacts a specified statute to incorporate changes made by the bill.

The bill takes effect July 1, 2023.

II. Present Situation:

The Florida Seaport Transportation and Economic Development Program

Section 311.07, F.S., creates the Florida Seaport Transportation and Economic Development (FSTED) Program within the Florida Department of Transportation (FDOT) to finance port transportation or port facilities projects that will improve the movement and intermodal transportation of cargo or passengers in commerce and trade and support the interests, purposes, and requirements of each of the ports of Jacksonville, Port Canaveral, Port Citrus, Fort Pierce,

Palm Beach, Port Everglades, Miami, Port Manatee, St. Petersburg, Putnam County, Tampa, Port St. Joe, Panama City, Pensacola, Key West, and Fernandina.¹

The FSTED Council² staff, the FDOT, and the Florida Department of Economic Opportunity (FDEO) work in cooperation to review projects and allocate funds such that approved projects may be included in the annual development of the FDOT's tentative work program.³ Generally, FSTED Program funds must be used to fund approved projects on a 50-50 matching basis with the specified ports. However, projects that involve rehabilitation of wharves, docks, berths, bulkheads, or similar structures require only a 25 percent match.⁴

Projects eligible for FSTED grant funding are limited to the following port facilities or port transportation projects:

- Transportation facilities within the jurisdiction of the port.
- Dredging or deepening of channels, turning basins, or harbors.
- 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 any of the foregoing.
- Acquisition of vessel tracking systems, container cranes, or other mechanized equipment used in the movement of cargo or passengers in international commerce.
- Acquisition of land to be used for port purposes.
- 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 and improvements to existing and future spoil sites; or which result from the funding of eligible projects listed in this paragraph.
- Transportation facilities⁵ which are not otherwise part of the FDOT's adopted work program.
- Intermodal access projects.
- Construction or rehabilitation of port facilities,⁶ excluding any park or recreational facilities, with operating revenues of \$5 million or less, provided that such projects create economic

¹ Section 311.09(1), F.S.

² The FSTED Council consists of the port directors (or their designees), the FDOT secretary or designee, and the Florida Department of Economic Opportunity secretary or designee. Section 311.09(1), F.S.

³ Section 311.07(2), F.S. Essentially, as the first year of the annually-adopted five-year work program is completed, the second year becomes the first year of the next adopted five-year work program, and a new fifth year is added based on projects in the tentative work program, which is the 5-year listing of all transportation projects planned for each fiscal year, developed by the FDOT central office based on the district work programs. Section 339.135, F.S.

⁴ Section 311.09(3), F.S.

⁵ Meaning any means for the transportation of people or property from place to place which is constructed, operated, or maintained in whole or in part from public funds. The term includes the property or property rights, both real and personal, which have been or may be established by public bodies for the transportation of people or property from place to place. Section 334.03(30), F.S.

⁶ Defined to mean harbor, shipping, and port facilities, and improvements of every kind, nature, and description, including, but without limitation, channels, turning basins, jetties, breakwaters, public landings, wharves, docks, markets, parks, recreational facilities, structures, buildings, piers, storage facilities, including facilities that may be used for warehouse, storage, and distribution of cargo transported or to be transported through an airport or port facility, specified security measures, public buildings and plazas, anchorages, utilities, bridges, tunnels, roads, causeways, and any and all property and

development opportunities, capital improvements, and positive financial returns to such ports.

- Seaport master plan or strategic plan development or updates, including the purchase of data to support such plans.

A minimum of \$25 million annually⁷ must be made available from the State Transportation Trust Fund (STTF) within the FDOT to fund the FSTED Program,⁸ and the FDOT is required to include at least \$25 million in its annual legislative budget request for the program.⁹

The Strategic Port Investment Initiative

The Strategic Port Investment Initiative within the FDOT is funded, beginning in 2012-2013, with a minimum of \$35 million annually from the STTF. The FDOT is directed to work with the identified ports to develop and maintain a priority list of strategic investment projects. Project selection must be based on projects that meet the state's economic development goal of becoming a hub for trade, logistics, and export-oriented activities by:

- Providing important access and major on-port capacity improvements;
- Providing capital improvements to strategically position the state to maximize opportunities in international trade, logistics, or the cruise industry;
- Achieving state goals of an integrated intermodal transportation system; and
- Demonstrating the feasibility and availability of matching funds through local or private partners.

Before making final project allocations, the FDOT must schedule a publicly noticed workshop with the FDEO and the identified ports to review the proposed projects and, after considering received comments, finalize a prioritized list of potential projects. To the maximum extent feasible, the FDOT must include the seaport projects proposed to be funded in the tentative work program.¹⁰

III. Effect of Proposed Changes:

The bill amends section 311.07(2), F.S., beginning in fiscal year 2025-2026, to increase from \$25 million to \$50 million the annual minimum amount that must be made available from the STTF to fund the FSTED Program. The bill amends section 311.09(9), F.S., to increase from \$25 million to \$50 million the annual minimum amount the FDOT is required to include in its annual legislative budget request for the FSTED Program.

facilities necessary or useful in connection with the foregoing, and any one or more or any combination thereof and any extension, addition, betterment, or improvement of any thereof. Section 315.02(6), F.S.

⁷ The Legislature last increased this amount from \$15 million to \$25 million in 2016. *See* 2016-181, L.O.F., s. 2, available at [template 1.13 \(flrules.org\)](http://template 1.13 (flrules.org)) (last visited March 6, 2023).

⁸ Section 311.07(2), F.S. These funds are in addition to the annual appropriation of \$15M in license tag fees to the FSTED Program required under s. 320.20, F.S., and in addition to any amounts not used for the payment of bonds from the annual \$10 million to be used for any seaport project identified in the FDOT's adopted work program, known as the Seaport Investment Program, per section 339.0801(1)(f), F.S. The latter funding began in 2013-2014 and is currently required for 30 years thereafter.

⁹ Section 311.09(9), F.S.

¹⁰ Section 311.10, F.S.

The bill also removes obsolete language authorizing a Citrus County grant application that expired on July 1, 2014, and a Putnam County grant application that does not expire until July 1, 2024. According to Putnam County staff, the authorization is no longer needed.¹¹ Port Citrus and Putnam County continue as ports listed in s. 311.09, F.S. The bill also makes editorial revisions to improve readability.

The bill amends s. 311.10, F.S., beginning in fiscal year 2025-2026, to increase from \$35 million to \$70 million the annual minimum amount that must be made available from the STTF to fund the Strategic Port Investment Initiative, and to make editorial revisions to improve readability.

Lastly, the bill reenacts ss. 320.20(3) and 339.0801(1)(f), F.S., to incorporate the amendments made by the bill to s. 311.07, F.S.

The bill takes effect July 1, 2023.

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.

¹¹ Telephone conversation with Putnam County staff, February 24, 2023.

B. Private Sector Impact:

To the extent that the increased funding results in improvement of the movement and intermodal transportation of cargo or passengers in commerce and trade, the private sector may experience an indeterminate positive fiscal impact.

C. Government Sector Impact:

The bill amends section 311.07(2), F.S., beginning in fiscal year 2025-2026, to increase from \$25 million to \$50 million the annual minimum amount that must be made available from the STTF to fund the FSTED Program. The bill amends s. 311.10, F.S., beginning in fiscal year 2025-2026, to increase from \$35 million to \$70 million the annual minimum amount that must be made available from the STTF to fund the Strategic Port Investment Initiative.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 311.07, 311.09, and 311.10.

This bill reenacts portions of the following sections of the Florida Statutes: 320.20 and 339.0801.

IX. Additional Information:**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.