HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCS for HB 445 Transportation Network Companies
SPONSOR(S): Tourism, Infrastructure & Energy Subcommittee
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Tourism, Infrastructure & Energy Subcommittee		Johnson	Keating

SUMMARY ANALYSIS

In 2017, the Legislature adopted a regulatory framework for the operation of transportation network companies (TNCs) in the state. Pursuant to Florida law, a TNC is an entity that provides prearranged rides through the use of a digital network that connects a TNC driver with riders. Examples of TNCs operating in Florida include Uber and Lyft.

Florida law prohibits most local regulations of TNCs, but does not prohibit airports and seaports from charging reasonable pickup fees to TNCs for the use of airport or seaport facilities, provided that those fees are consistent with fees charged to taxicab companies.

The bill limits the pickup fee that an airport or seaport may charge a TNC to $2 per pickup. The bill appears to effectively limit the pickup fees for taxicab companies at $2 per pickup, given the requirement that pickup fees charged to TNCs be consistent with those charged to taxicab companies.

The bill does not appear to have a fiscal impact on state government. The bill may have a negative fiscal impact on counties, municipalities, and special districts that operate airports and seaports that currently impose TNC pickup fees of greater than $2 per pickup.

The bill has an effective date of July 1, 2022.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

Transportation Network Companies

In 2017, the Legislature adopted a regulatory framework for the operation of transportation network companies (TNCs) in the state.[1] Pursuant to Florida law, a TNC is an entity that provides prearranged rides through the use of a digital network that connects a TNC driver with riders.[2] A TNC is not deemed to own, control, operate, direct, or manage the TNC vehicles or TNC drivers that connect to its digital network, except where agreed to by written contract, and is not a taxicab association.[3]

Florida law prohibits a county, municipality, special district, airport authority, port authority, or other local governmental entity or subdivision from:

- Imposing a tax on, or requiring a license for a TNC, a TNC driver, or a TNC vehicle if such tax or license relates to providing prearranged rides;
- Subjecting a TNC, a TNC driver, or a TNC vehicle to any rate, entry, operation, or other requirement of the county, municipality, special district, airport authority, port authority, or other local governmental entity or subdivision; or
- Requiring a TNC or a TNC driver to obtain a business license or any other type of similar authorization to operate within the local governmental entity's jurisdiction.[4]

However, the law does not prohibit an airport or seaport from charging reasonable pickup fees to TNCs consistent with any pickup fees charged to taxicab companies at that airport or seaport for the use of the airports' or seaports' facilities.[5]

Airports

Florida is home to 20 commercial service airports and 100 general aviation airports.[6] Commercial service airports are publicly-owned airports that have at least 2,500 passenger boardings each year and receive scheduled passenger service. General aviation airports are airports that do not have scheduled service or have less than 2,500 passenger boardings each year.[7]

Florida's commercial service airports range in size from large-hub airports[8] with over 20 million annual passenger boardings to small municipal airports with approximately 10,000 annual passenger boardings.[9] In Florida, commercial service airports operate as either departments of a municipality or county or as a special district.

Federal Aviation Administration grant assurances require an airport to maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as

[1] Ch. 2017-12, Laws of Fla.
[2] S. 627.748(1)(e), F.S.
[3] S. 627.748(1), F.S.
[4] S. 627.748(17)(a), F.S.
[5] S. 627.748(17)(b), F.S.
[6] Florida Department of Transportation, *Florida Aviation System Plan 2021 Annual Report*, p. 3. https://fdotwww.blob.core.windows.net/sitefinity/docs/default-source/aviation/fasp-elevate-2021-brochure_final.pdf (last visited Nov. 15, 2021)
[7] 49 U.S.C. § 47102.
[8] A subset of commercial airports is large-hub airports. Large-hub airports are commercial service airports that have at least 1 percent of the passenger boardings in the United States.
[9] FAA, Commercial Service Airports, Rank Order based on calendar year 2019, Sep. 25, 2020, https://www.faa.gov/airports/planning_capacity/passenger_allcargo_stats/passenger/media/cy19-commercial-service-enplanements.pdf (last visited Nov. 15, 2021).

possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection.[10]

The table below shows a sample of the current TNC pickup fees being charged at Florida commercial service airports as of August 2020:[11]

Airport	Owner/Operator	Pickup Fee
Orlando	Greater Orlando Aviation Authority	$5.80
Tampa	Hillsborough County Aviation Authority	$5
St. Pete/Clearwater	Pinellas County	$4
Jacksonville	Jacksonville Aviation Authority	$3.25
Ft. Lauderdale/Hollywood	Broward County	$3
Tallahassee	City of Tallahassee	$3
Punta Gorda	Charlotte County Airport Authority	$3
Key West	Monroe County	$3
Southwest Florida (Ft. Myers)	Lee County Port Authority	$3
Orlando/Sanford	Sanford Airport Authority	$2.75
Sarasota/Bradenton	Sarasota Manatee Airport Authority	$2.50
Miami	Miami-Dade County	$2.50
Daytona Beach	Volusia County	$1.50
Gainesville	Gainesville Alachua County Regional Airport Authority	$1

Seaports

Florida is home to 15 deepwater seaports,[12] which may be operated as a department of a municipality or county or as a special district. Five of the state's deepwater seaports offer cruise ship departures and arrivals. The table below shows current TNC pickup fees being charged at Florida seaports offering cruise ship departures and arrivals:[13]

Seaport	Owner/Operator	Pickup Charge
Port Canaveral	Canaveral Port Authority	$4
Miami	Miami-Dade County	$2
Everglades (Ft. Lauderdale)	Broward County	$2
JAXPORT	Jacksonville Port Authority	$3
Tampa Bay	Tampa Port Authority	$0

Effect of the Bill

This bill limits the pickup fees that airports and seaports may charge TNCs to $2 per pickup. Due to existing law requiring that pickup fees charged to TNCs be consistent with those charged to taxicab companies at the same airport or seaport, the bill appears to effectively limit the pickup fees for taxicab companies to $2 per pickup.

The bill has an effective date of July 1, 2022.

B. SECTION DIRECTORY:

Section 1 Amends s. 627.478, F.S., relating to transportation network companies.

[10] Federal Aviation Administration, Airport Sponsor Assurances, February 2020, p. 11. https://www.faa.gov/airports/aip/grant_assurances/media/airport-sponsor-assurances-aip-2020.pdf (last visited Jan 30, 2022).
[11] Attachment to e-mail from Lisa Waters, President, Florida Airports Council, RE HB 445 - Transportation Network Companies. (Nov. 12, 2021).
[12] Florida Ports Council, *The Florida System of Seaports,* https://flaports.org/about/the-florida-system-of-seaports/ (last visited Nov. 15, 2021).
[13] E-mail from Mike Rubin, President, Florida Ports Council, RE:HB 455 – Transportation Network Companies (Nov. 19, 2021).

Section 2 Provides an effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

   None.

2. Expenditures:

   None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

   Municipalities, counties, and special districts operating airports and seaports may see a significant reduction in revenues associated with TNC and taxicab pickup fees.

2. Expenditures:

   None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

At most airports and some seaports, TNCs and taxicab companies will see cost savings associated with the $2 limit on pickup fees. These savings may or may not be passed along to consumers.

To adjust for lost revenue from TNC and taxicab pickup fees and maintain self-sustainability, airports and seaports may increase charges to other users or tenants.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

   The county/municipality mandates provision of Art. VII, section 18, of the Florida Constitution may apply to the extent that airports and seaports subject to the bill are operated by counties and municipalities whose authority to raise total aggregate revenues, as such authority existed on February 1, 1989, is reduced by the bill; however an exemption may apply if the bill creates an insignificant fiscal impact.

2. Other:

   None.

B. RULE-MAKING AUTHORITY:

This bill does not require or authorize rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

Not applicable.