



JEB BUSH
GOVERNOR

STATE OF FLORIDA

Office of the Governor

THE CAPITOL
TALLAHASSEE, FLORIDA 32399-0001

www.flgov.com
850-488-7146
850-487-0801 fax

June 26, 2006

Ms. Sue Cobb
Secretary of State
R.A. Gray Building
500 South Bronough Street
Tallahassee, Florida 32399

Dear Secretary Cobb:

By the authority vested in me as Governor of the State of Florida, under the provisions of Article III, Section 8, of the Constitution of Florida, I do hereby withhold my approval of and transmit to you my objections, Committee Substitute for Committee Substitute for Senate Bill 2300, enacted during the 38th Session of the Legislature of Florida, convened under the constitution of 1968, during Regular Session of 2006 and entitled:

An act relating to the Transportation...

Committee Substitute for Committee Substitute for Senate Bill 2300 creates the Enhanced Bridge Program within the Department of Transportation to provide funds for structurally deficient local bridges and for unfunded high cost bridges on constrained corridors. The bill allows the Florida Ports Council, in cooperation with the Department of Transportation, to increase the existing \$35 million annual seaport bond issues by \$5 million and allows the term limits for existing refunding bonds to be extended beyond their maturity date. Finally, the bill establishes criteria for youth organizations when contracting with the Department of Transportation to perform work on the construction and/or maintenance projects in the state.

Transportation construction costs have increased over the past few years. These increases are directly related to rising petroleum costs, availability of materials and a diminishing labor pool needed for road and bridge construction work. The overall financial picture for the State of Florida must be considered when impacting the economic growth and increased revenues for state government.

I am vetoing the bill for several reasons.

First, the bill creates a new program, and although there is no funding source specified in the bill, I am concerned about the fiscal impact to our future transportation revenues. This bill carries a potential future financial burden of over \$1 billion to the State of Florida, and another \$1 billion to local governments. The existing bridge program encompasses the same area as the proposed new Enhanced Bridge Program. Currently within the Department of



Governor's Mentoring Initiative

BE A MENTOR. BE A BIG HELP.

1-800-825-3786

Ms. Sue Cobb
June 26, 2006
Page Two

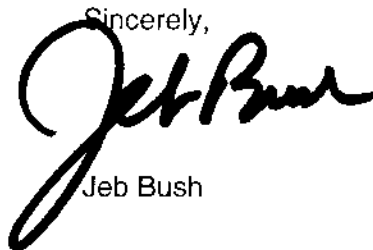
Transportation, the federal aid bridge program funds are allocated for statewide priorities. Any public bridge that has been inventoried and inspected and meets the minimum qualifying criteria established by the Federal Highway Administration, is qualified for replacement funding.

Second, the bill revises matching requirements for approved projects for dredging or deepening of channels, turning basins, or harbors. This change to the matching basis for dredging projects from 50/50 to 75/25 will negatively impact the Department of Transportation's existing work program. House Bill 5003, the budget implementing bill, which I have already signed into law includes this change, albeit for one year only. I believe we should monitor this change in state matching policy closely to explore its long-term impact to our future transportation needs.

Third, the bill provides an additional \$5 million in bonding capacity to the Florida Seaport and Economic Development Council for approved projects. This increase in the state's debt would impact Florida's overall bonding capacity and impact the debt affordability of the state.

Last, the bill allows refunding of existing 1996 and 1999 Seaport Bonds and this could include extending the term of the refunding bonds beyond their existing maturity date. Extending the annual commitment of the existing bond issuances is inconsistent with the state's policy.

For the reasons stated above, I am hereby withholding my approval of Committee Substitute for Committee Substitute for Senate Bill 2300.

Sincerely,

Jeb Bush