# Florida Senate - 2008

By the Committee on Transportation; and Senator Baker

596-04818-08

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1	A bill to be entitled
2	An act relating to the Department of Transportation;
3	amending s. 337.185, F.S.; providing for maintenance
4	contracts to be included in the types of claims settled by
5	the State Arbitration Board; amending s. 337.403, F.S.;
6	providing for the department or a local governmental
7	entity to pay the costs of removing or relocating a
8	utility that is interfering with the use of a road or rail
9	corridor; amending s. 338.01, F.S.; requiring that newly
10	installed electronic toll collection systems be
11	interoperable with the department's electronic toll
12	collection system; amending s. 338.165, F.S.; providing
13	that provisions requiring the continuation of tolls
14	following the discharge of bond indebtedness does not
15	apply to high-occupancy toll lanes or express lanes;
16	creating s. 338.166, F.S.; authorizing the department to
17	request that bonds be issued which are secured by toll
18	revenues from high-occupancy toll or express lanes in a
19	specified location; providing for the department to
20	continue to collect tolls after discharge of indebtedness;
21	authorizing the use of excess toll revenues for
22	improvements to the State Highway System; authorizing the
23	implementation of variable rate tolls on high-occupancy
24	toll lanes or express lanes; amending s. 338.2216, F.S.;
25	directing the turnpike enterprise to develop new
26	technologies and processes for the collection of tolls and
27	usage fees; amending s. 338.231, F.S.; eliminating
28	reference to uniform toll rates on the Florida Turnpike
29	System; authorizing the department to fix by rule and

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collect the amounts needed to cover toll collection costs; 30 31 amending s. 479.01, F.S.; redefining the term "automatic 32 changeable facing" as used in provisions governing outdoor advertising; amending s. 479.07, F.S.; revising the 33 34 locations within which signs require permitting; providing requirements for the placement of permit tags; requiring 35 the department to establish by rule a service fee and 36 37 specifications for replacement tags; amending s. 479.08, 38 F.S.; deleting a provision allowing a sign permittee to 39 correct false information that was knowingly provided to 40 the department; requiring the department to include 41 certain information in the notice of violation; amending 42 s. 479.11, F.S.; revising the description of prohibited 43 signs; amending s. 479.261, F.S.; revising requirements 44 for the logo sign program of the interstate highway system; deleting provisions providing for permits to be 45 awarded to the highest bidders; requiring the department 46 to implement a rotation-based logo program; increasing the 47 48 permit fee for businesses that participate in the program; 49 providing an effective date. 50

51 Be It Enacted by the Legislature of the State of Florida:

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53 Section 1. Subsections (1), (2), and (7) of section 54 337.185, Florida Statutes, are amended to read:

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337.185 State Arbitration Board.--

56 (1) To facilitate the prompt settlement of claims for
57 additional compensation arising out of construction <u>and</u>
58 <u>maintenance</u> contracts between the department and the various

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59 contractors with whom it transacts business, the Legislature does 60 hereby establish the State Arbitration Board, referred to in this section as the "board." For the purpose of this section, "claim" 61 means shall mean the aggregate of all outstanding claims by a 62 63 party arising out of a construction or maintenance contract. 64 Every contractual claim in an amount up to \$250,000 per contract or, at the claimant's option, up to \$500,000 per contract or, 65 66 upon agreement of the parties, up to \$1 million per contract 67 which that cannot be resolved by negotiation between the 68 department and the contractor shall be arbitrated by the board 69 after acceptance of the project by the department. As an 70 exception, either party to the dispute may request that the claim 71 be submitted to binding private arbitration. A court of law may 72 not consider the settlement of such a claim until the process established by this section has been exhausted. 73

74 The board shall be composed of three members. One (2)75 member shall be appointed by the head of the department, and one 76 member shall be elected by those construction or maintenance 77 companies who are under contract with the department. The third 78 member shall be chosen by agreement of the other two members. 79 Whenever the third member has a conflict of interest regarding 80 affiliation with one of the parties, the other two members shall 81 select an alternate member for that hearing. The head of the 82 department may select an alternative or substitute to serve as 83 the department member for any hearing or term. Each member shall 84 serve a 2-year term. The board shall elect a chair, each term, 85 who shall be the administrator of the board and custodian of its 86 records.

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87 (7)The members of the board may receive compensation for 88 the performance of their duties hereunder, from administrative 89 fees received by the board, except that no employee of the 90 department may receive compensation from the board. The 91 compensation amount shall be determined by the board, but shall not exceed \$125 per hour, up to a maximum of \$1,000 per day for 92 93 each member authorized to receive compensation. Nothing in This section does not shall prevent the member elected by construction 94 95 or maintenance companies from being an employee of an association 96 affiliated with the industry, even if the sole responsibility of 97 that member is service on the board. Travel expenses for the 98 industry member may be paid by an industry association, if 99 necessary. The board may allocate funds annually for clerical and other administrative services. 100

Section 2. Subsection (1) of section 337.403, Florida Statutes, is amended to read:

103

337.403 Relocation of utility; expenses.--

104 Any utility heretofore or hereafter placed upon, under, (1)105 over, or along any public road or publicly owned rail corridor 106 which that is found by the authority to be unreasonably 107 interfering in any way with the convenient, safe, or continuous 108 use, or the maintenance, improvement, extension, or expansion, of 109 such public road or publicly owned rail corridor shall, upon 30 110 days' written notice to the utility or its agent by the 111 authority, be removed or relocated by such utility at its own 112 expense except as provided in paragraphs (a), (b), and (c), and 113 (d).

(a) If the relocation of utility facilities, as referred toin s. 111 of the Federal-Aid Highway Act of 1956, Pub. L. No. 627

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116 of the 84th Congress, is necessitated by the construction of a 117 project on the federal-aid interstate system, including 118 extensions thereof within urban areas, and the cost of such project is eligible and approved for reimbursement by the Federal 119 120 Government to the extent of 90 percent or more under the Federal 121 Aid Highway Act, or any amendment thereof, then in that event the 122 utility owning or operating such facilities shall relocate such 123 facilities upon order of the department, and the state shall pay 124 the entire expense properly attributable to such relocation after 125 deducting therefrom any increase in the value of the new facility 126 and any salvage value derived from the old facility.

127 (b) When a joint agreement between the department and the 128 utility is executed for utility improvement, relocation, or 129 removal work to be accomplished as part of a contract for construction of a transportation facility, the department may 130 131 participate in those utility improvement, relocation, or removal 132 costs that exceed the department's official estimate of the cost of such work by more than 10 percent. The amount of such 133 134 participation shall be limited to the difference between the 135 official estimate of all the work in the joint agreement plus 10 136 percent and the amount awarded for this work in the construction 137 contract for such work. The department may not participate in any 138 utility improvement, relocation, or removal costs that occur as a 139 result of changes or additions during the course of the contract.

(c) When an agreement between the department and utility is executed for utility improvement, relocation, or removal work to be accomplished in advance of a contract for construction of a transportation facility, the department may participate in the cost of clearing and grubbing necessary to perform such work.

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145	(d) If the utility facility being removed or relocated was
146	initially installed exclusively to serve the authority, its
147	tenants, or both the authority and its tenants, the authority
148	shall bear the costs of removal or relocation of that utility
149	facility. However, the authority shall not be responsible for
150	bearing the cost of removal or relocation of any subsequent
151	additions to the utility facility for the purpose of serving
152	others.
153	Section 3. Subsection (6) is added to section 338.01,
154	Florida Statutes, to read:
155	338.01 Authority to establish and regulate limited access
156	facilities
157	(6) Notwithstanding any other provision of law, all new
158	limited access facilities and existing transportation facilities
159	on which new or replacement electronic toll collection systems
160	are installed shall be interoperable with the department's
161	electronic toll collection system.
162	Section 4. Present subsections (7) and (8) of section
163	338.165, Florida Statutes, are redesignated as subsections (8)
164	and (9), respectively, and a new subsection (7) is added to that
165	section, to read:
166	338.165 Continuation of tolls
167	(7) This section does not apply to high-occupancy toll
168	lanes or express lanes.
169	Section 5. Section 338.166, Florida Statutes, is created to
170	read:
171	338.166 High-occupancy toll lanes or express lanes
172	(1) Under s. 11, Art. VII of the State Constitution, the
173	department may request the Division of Bond Finance to issue
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174	bonds secured by toll revenues collected on high-occupancy toll
175	lanes or express lanes located on Interstate 95 in Miami-Dade and
176	Broward Counties.
177	(2) The department may continue to collect the toll on the
178	high-occupancy toll lanes or express lanes after the discharge of
179	any bond indebtedness related to such project. All tolls so
180	collected shall first be used to pay the annual cost of the
181	operation, maintenance, and improvement of the high-occupancy
182	toll lanes or express lanes project.
183	(3) Any remaining toll revenue from the high-occupancy toll
184	lanes or express lanes shall be used by the department for the
185	construction, maintenance, or improvement of any road on the
186	State Highway System.
187	(4) The department is authorized to implement variable rate
188	tolls on high-occupancy toll lanes or express lanes.
189	(5) Except for high-occupancy toll lanes or express lanes,
190	tolls may not be charged for use of an interstate highway where
191	tolls were not charged as of July 1, 1997.
192	(6) This section does not apply to the turnpike system as
193	defined under the Florida Turnpike Enterprise Law.
194	Section 6. Paragraph (d) is added to subsection (1) of
195	section 338.2216, Florida Statutes, to read:
196	338.2216 Florida Turnpike Enterprise; powers and
197	authority
198	(1)
199	(d) The turnpike enterprise is directed to pursue and
200	implement new technologies and processes in its operations and in
201	the collection of tolls and other amounts associated with road

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# 202 and infrastructure use. This shall include, without limitation, 203 video billing and variable pricing.

204 Section 7. Section 338.231, Florida Statutes, is amended to 205 read:

206 Turnpike tolls, fixing; pledge of tolls and other 338.231 207 revenues. -- The department shall at all times fix, adjust, charge, 208 and collect such tolls for the use of the turnpike system as are 209 required in order to provide a fund sufficient with other 210 revenues of the turnpike system to pay the cost of maintaining, 211 improving, repairing, and operating such turnpike system; to pay 212 the principal of and interest on all bonds issued to finance or 213 refinance any portion of the turnpike system as the same become 214 due and payable; and to create reserves for all such purposes.

215 (1) In the process of effectuating toll rate increases over 216 the period 1988 through 1992, the department shall, to the 217 maximum extent feasible, equalize the toll structure, within each 218 vehicle classification, so that the per mile toll rate will be 219 approximately the same throughout the turnpike system. New 220 turnpike projects may have toll rates higher than the uniform 221 system rate where such higher toll rates are necessary to qualify 2.2.2 the project in accordance with the financial criteria in the 223 turnpike law. Such higher rates may be reduced to the uniform 224 system rate when the project is generating sufficient revenues to 225 pay the full amount of debt service and operating and maintenance 226 costs at the uniform system rate. If, after 15 years of opening 227 to traffic, the annual revenue of a turnpike project does not 228 meet or exceed the annual debt service requirements and operating 229 and maintenance costs attributable to such project, the department shall, to the maximum extent feasible, establish a 230

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231 toll rate for the project which is higher than the uniform system 232 rate as necessary to meet such annual debt service requirements 233 and operating and maintenance costs. The department may, to the extent feasible, establish a temporary toll rate at less than the 234 uniform system rate for the purpose of building patronage for the 235 236 ultimate benefit of the turnpike system. In no case shall the 237 temporary rate be established for more than 1 year. The 238 requirements of this subsection shall not apply when the 239 application of such requirements would violate any covenant 240 established in a resolution or trust indenture relating to the 241 issuance of turnpike bonds.

242 (1) (2) Notwithstanding any other provision of law, the 243 department may defer the scheduled July 1, 1993, toll rate 244 increase on the Homestead Extension of the Florida Turnpike until 245 July 1, 1995. The department may also advance funds to the 246 Turnpike General Reserve Trust Fund to replace estimated lost revenues resulting from this deferral. The amount advanced must 247 248 be repaid within 12 years from the date of advance; however, the 249 repayment is subordinate to all other debt financing of the 250 turnpike system outstanding at the time repayment is due.

251 (2) (2) (3) The department shall publish a proposed change in 252 the toll rate for the use of an existing toll facility, in the 253 manner provided for in s. 120.54, which will provide for public 254 notice and the opportunity for a public hearing before the 255 adoption of the proposed rate change. When the department is 256 evaluating a proposed turnpike toll project under s. 338.223 and has determined that there is a high probability that the project 257 258 will pass the test of economic feasibility predicated on proposed 259 toll rates, the toll rate that is proposed to be charged after

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the project is constructed must be adopted during the planning and project development phase of the project, in the manner provided for in s. 120.54, including public notice and the opportunity for a public hearing. For such a new project, the toll rate becomes effective upon the opening of the project to traffic.

266 (3) (a) (4) For the period July 1, 1998, through June 30, 267 2017, the department shall, to the maximum extent feasible, 268 program sufficient funds in the tentative work program such that 269 the percentage of turnpike toll and bond financed commitments in 270 Dade County, Broward County, and Palm Beach County as compared to 271 total turnpike toll and bond financed commitments shall be at 272 least 90 percent of the share of net toll collections 273 attributable to users of the turnpike system in Dade County, 274 Broward County, and Palm Beach County as compared to total net 275 toll collections attributable to users of the turnpike system. The requirements of this subsection do not apply when the 276 277 application of such requirements would violate any covenant 278 established in a resolution or trust indenture relating to the 279 issuance of turnpike bonds. The department may establish at any 280 time for economic considerations lower temporary toll rates for a 281 new or existing toll facility for a period not to exceed 1 year, 282 after which period the toll rates adopted under s. 120.54 shall 283 become effective.

(b) The department shall also fix, adjust, charge, and
 collect such amounts needed to cover the costs of administering
 the different toll collection and payment methods and types of
 accounts being offered and used in the manner provided for in s.
 120.54, which provides for public notice and the opportunity for

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289 <u>a public hearing before adoption. Such amounts may stand alone,</u> 290 <u>be incorporated into a toll rate structure, or be a combination</u> 291 thereof.

292 (4) (5) When bonds are outstanding which have been issued to 293 finance or refinance any turnpike project, the tolls and all 294 other revenues derived from the turnpike system and pledged to 295 such bonds shall be set aside as may be provided in the 296 resolution authorizing the issuance of such bonds or the trust 297 agreement securing the same. The tolls or other revenues or other 298 moneys so pledged and thereafter received by the department are 299 immediately subject to the lien of such pledge without any 300 physical delivery thereof or further act. The lien of any such 301 pledge is valid and binding as against all parties having claims 302 of any kind in tort or contract or otherwise against the 303 department irrespective of whether such parties have notice 304 thereof. Neither the resolution nor any trust agreement by which 305 a pledge is created need be filed or recorded except in the 306 records of the department.

307 (5) (6) In each fiscal year while any of the bonds of the 308 Broward County Expressway Authority series 1984 and series 1986-A 309 remain outstanding, the department is authorized to pledge 310 revenues from the turnpike system to the payment of principal and 311 interest of such series of bonds and the operation and 312 maintenance expenses of the Sawgrass Expressway, to the extent 313 gross toll revenues of the Sawgrass Expressway are insufficient 314 to make such payments. The terms of an agreement relative to the 315 pledge of turnpike system revenue will be negotiated with the 316 parties of the 1984 and 1986 Broward County Expressway Authority 317 lease-purchase agreements, and subject to the covenants of those

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318 agreements. The agreement shall establish that the Sawgrass 319 Expressway shall be subject to the planning, management, and 320 operating control of the department limited only by the terms of 321 the lease-purchase agreements. The department shall provide for 322 the payment of operation and maintenance expenses of the Sawgrass 323 Expressway until such agreement is in effect. This pledge of 324 turnpike system revenues shall be subordinate to the debt service 325 requirements of any future issue of turnpike bonds, the payment 326 of turnpike system operation and maintenance expenses, and 327 subject to provisions of any subsequent resolution or trust 328 indenture relating to the issuance of such turnpike bonds.

329 <u>(6)(7)</u> The use and disposition of revenues pledged to bonds 330 are subject to the provisions of ss. 338.22-338.241 and such 331 regulations as the resolution authorizing the issuance of such 332 bonds or such trust agreement may provide.

333 Section 8. Subsection (1) of section 479.01, Florida 334 Statutes, is amended to read:

335

479.01 Definitions.--As used in this chapter, the term:

(1) "Automatic changeable facing" means a facing <u>that</u> which
through a mechanical system is capable of delivering two or more
advertising messages <u>through an automated or remotely controlled</u>
<u>process</u> and shall not rotate so rapidly as to cause distraction
to a motorist.

341 Section 9. Subsections (1) and (5) of section 479.07, 342 Florida Statutes, are amended to read:

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479.07 Sign permits.--

(1) Except as provided in ss. 479.105(1)(e) and 479.16, a
person may not erect, operate, use, or maintain, or cause to be
erected, operated, used, or maintained, any sign on the State

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347 Highway System outside an urban incorporated area, as defined in 348 s. 334.03(32), or on any portion of the interstate or federal-aid 349 primary highway system without first obtaining a permit for the 350 sign from the department and paying the annual fee as provided in 351 this section. For purposes of this section, "on any portion of 352 the State Highway System, interstate, or federal-aid primary 353 system" shall mean a sign located within the controlled area 354 which is visible from any portion of the main-traveled way of 355 such system.

356 (5) (a) For each permit issued, the department shall furnish 357 to the applicant a serially numbered permanent metal permit taq. 358 The permittee is responsible for maintaining a valid permit tag 359 on each permitted sign facing at all times. The tag shall be 360 securely attached to the sign apron at the end nearest the 361 highway facing or, if there is no facing, on the pole nearest the 362 highway; and it shall be attached in such a manner as to be 363 plainly visible from the main-traveled way. For signs holding 364 valid permits on July 1, 2008, the tag posting requirement is 365 effective July 1, 2010. The permit will become void unless the 366 permit tag is properly and permanently displayed at the permitted 367 site within 30 days after the date of permit issuance. If the 368 permittee fails to erect a completed sign on the permitted site 369 within 270 days after the date on which the permit was issued, 370 the permit will be void, and the department may not issue a new 371 permit to that permittee for the same location for 270 days after the date on which the permit became void. 372

(b) If a permit tag is lost, stolen, or destroyed, the
permittee to whom the tag was issued <u>may</u> must apply to the
department for a replacement tag. <u>The department shall establish</u>

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376	by rule a service fee for replacement tags in an amount that will
377	recover the actual cost of providing the replacement tag. Upon
378	receipt of the application accompanied by <u>the</u> a service fee <del>of</del>
379	\$3, the department shall issue a replacement permit tag.
380	Alternatively, the permittee may provide its own replacement tag
381	pursuant to department specifications which the department shall
382	establish by rule at the time it establishes the service fee for
383	replacement tags.
384	Section 10. Section 479.08, Florida Statutes, is amended to
385	read:
386	479.08 Denial or revocation of permitThe department has
387	the authority to deny or revoke any permit requested or granted
388	under this chapter in any case in which it determines that the
389	application for the permit contains knowingly false or misleading
390	information. The department has the authority to revoke any
391	permit granted under this chapter in any case where <del>or that</del> the
392	permittee has violated any of the provisions of this chapter,
393	unless such permittee, within 30 days after the receipt of notice
394	by the department, <del>corrects such false or misleading information</del>
395	<del>and</del> complies with the provisions of this chapter. <u>For the purpose</u>
396	of this subsection, the notice of violation issued by the
397	department shall describe in detail the alleged violation and the
398	corrective action required to cure the violation. Any person
399	aggrieved by any action of the department in denying or revoking
400	a permit under this chapter may, within 30 days after receipt of
401	the notice, apply to the department for an administrative hearing
402	pursuant to chapter 120. If a timely request for hearing has been
403	filed and the department issues a final order revoking a permit,
404	such revocation shall be effective 30 days after the date of

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405	rendition. Except for department action pursuant to s.
406	479.107(1), the filing of a timely and proper notice of appeal
407	shall operate to stay the revocation until the department's
408	action is upheld.
409	Section 11. Subsection (2) of section 479.11, Florida
410	Statutes, is amended to read:
411	479.11 Specified signs prohibitedNo sign shall be
412	erected, used, operated, or maintained:
413	(2) Beyond 660 feet of the nearest edge of the right-of-way
414	of any portion of the interstate highway system or the federal-
415	aid primary highway system outside an urban area, the advertising
416	message or informative contents of which sign is visible from the
417	<u>main traveled way</u> <del>crected for the purpose of its message being</del>
418	read from the main-traveled way of such system, except as
419	provided in ss. 479.111(1) and 479.16.
420	Section 12. Subsections (1), (3), (4), and (5) of section
421	479.261, Florida Statutes, are amended to read:
422	479.261 Logo sign program
423	(1) The department shall establish a logo sign program for
424	the rights-of-way of the interstate highway system to provide
425	information to motorists about available gas, food, lodging, <del>and</del>
426	camping, attractions, and other services, as approved by the
427	Federal Highway Administration, at interchanges $_{m  au}$ through the use
428	of business logos, and may include additional interchanges under
429	the program. <del>A logo sign for nearby attractions may be added to</del>
430	this program if allowed by federal rules.
431	(a) An attraction as used in this chapter is defined as an
432	establishment, site, facility, or landmark <u>that</u> <del>which</del> is open a
433	minimum of 5 days a week for 52 weeks a year; <u>that</u> <del>which charges</del>

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an admission for entry; which has as its principal focus family-434 435 oriented entertainment, cultural, educational, recreational, 436 scientific, or historical activities; and that which is publicly 437 recognized as a bona fide tourist attraction. However, the 438 permits for businesses seeking to participate in the attractions 439 logo sign program shall be awarded by the department annually to 440 the highest bidders, notwithstanding the limitation on fees in 441 subsection (5), which are qualified for available space at each 442 qualified location, but the fees therefor may not be less than 443 the fees established for logo participants in other logo 444 categories.

445 (b) The department shall incorporate the use of RV-friendly 446 markers on specific information logo signs for establishments 447 that cater to the needs of persons driving recreational vehicles. 448 Establishments that qualify for participation in the specific 449 information logo program and that also qualify as "RV-friendly" 450 may request the RV-friendly marker on their specific information 451 logo sign. An RV-friendly marker must consist of a design 452 approved by the Federal Highway Administration. The department 453 shall adopt rules in accordance with chapter 120 to administer 454 this paragraph, including rules setting forth the minimum 455 requirements that establishments must meet in order to qualify as 456 RV-friendly. These requirements shall include large parking 457 spaces, entrances, and exits that can easily accommodate 458 recreational vehicles and facilities having appropriate overhead 459 clearances, if applicable.

460 (c) The department may implement a 3-year rotation-based
 461 logo program providing for the removal and addition of
 462 participating businesses in the program.

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annual permit by the department or its agent and payment of  $\underline{a}$  an application and permit fee to the department or its agent.

Logo signs may be installed upon the issuance of an

466 The department may contract pursuant to s. 287.057 for (4) 467 the provision of services related to the logo sign program, 468 including recruitment and qualification of businesses, review of 469 applications, permit issuance, and fabrication, installation, and 470 maintenance of logo signs. The department may reject all 471 proposals and seek another request for proposals or otherwise 472 perform the work. If the department contracts for the provision 473 of services for the logo sign program, the contract must require, 474 unless the business owner declines, that businesses that 475 previously entered into agreements with the department to 476 privately fund logo sign construction and installation be 477 reimbursed by the contractor for the cost of the signs which has 478 not been recovered through a previously agreed upon waiver of 479 fees. The contract also may allow the contractor to retain a 480 portion of the annual fees as compensation for its services.

(5) Permit fees for businesses that participate in the program must be established in an amount sufficient to offset the total cost to the department for the program, including contract costs. The department shall provide the services in the most efficient and cost-effective manner through department staff or by contracting for some or all of the services. Such annual permit fee shall not exceed \$3,000 \$1,250.

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Section 13. This act shall take effect July 1, 2008.

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