

LEGISLATIVE ACTION

Senate House

Comm: RCS 02/28/2012

The Committee on Budget (Bogdanoff) recommended the following:

Senate Amendment (with title amendment)

Delete lines 921 - 949

and insert:

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transportation facilities that serve intermodal logistics centers that facilitate the conveyance or shipment of goods through a seaport to or from an intermodal logistics center.

(1) For the purposes of this section, "intermodal logistics center," including, but not limited to, an "inland port," means a facility or group of facilities serving as a point of intermodal transfer of freight in a specific area physically separated from a seaport where activities relating to transport, logistics, goods distribution, consolidation, or value-added

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activities are carried out and whose activities and services are designed to support or be supported by conveyance or shipping through one or more seaports, listed in s. 311.09.

- (2) The department must consider, but is not limited to, the following criteria when evaluating projects for Intermodal Logistics Center Infrastructure Support Program assistance:
- (a) The ability of the project to serve a strategic state interest.
- (b) The ability of the project to facilitate the costeffective and efficient movement of goods.
- (c) The extent to which the project contributes to economic activity, including job creation, increased wages, and revenues.
- (d) The extent to which the project efficiently interacts with and supports the transportation network.
 - (e) A commitment of a funding match.
- (f) The amount of investment or commitments made by the owner or developer of the existing or proposed facility.
- (g) The extent to which the owner has commitments, including memorandums of understanding or memorandums of agreements, with private sector businesses planning to locate operations at the intermodal logistics center.

36 Delete lines 1596 - 1604 37 and insert:

> (33) To develop, in coordination with its partners and stakeholders, a Freight Mobility and Trade Plan to assist in making freight mobility investments that contribute to the economic growth of the state. Such plan should enhance the integration and connectivity of the transportation system across



43 and between transportation modes throughout the state. The department shall deliver the Freight Mobility and Trade Plan to 44 the Governor and Legislature by July 1, 2013. Freight issues and 45 needs shall also be given emphasis in all appropriate 46 47 transportation plans, including the Florida Transportation Plan 48 and the Strategic Intermodal System Plan. 49 Delete line 1688 50 51 and insert: 52 the bridge. Nothing herein shall be construed as altering 53 existing jurisdictional responsibilities for the operation and 54 maintenance of bridges. 55 56 Delete lines 1829 - 1843. 57 Delete line 2367 58 59 and insert: lanes or express lanes established on facilities owned by the 60 department located on Interstate 95 in Miami-Dade 61 62 Delete line 3247 63 and insert: 64 65 3. Within 15 miles of the boundary of a rural area of 66 67 Delete lines 3473 - 3627 68 and insert: Section 64. Section 341.840, Florida Statutes, is amended 69 70 to read: 71 341.840 Tax exemption.

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- (1) The exercise of the powers granted under ss. 341.8201-341.842 by this act will be in all respects for the benefit of the people of this state, for the increase of their commerce, welfare, and prosperity, and for the improvement of their health and living conditions. The design, construction, operation, maintenance, and financing of a high-speed rail system by the enterprise authority, its agent, or the owner or lessee thereof, as herein authorized, constitutes the performance of an essential public function.
- (2) (a) For the purposes of this section, the term "enterprise authority" does not include agents of the enterprise authority other than contractors who qualify as such pursuant to subsection (7).
- (b) For the purposes of this section, any item or property that is within the definition of the term "associated development" in s. 341.8203(1) may shall not be considered to be part of the high-speed rail system as defined in s. 341.8203(3) + (6)
- (3)(a) Purchases or leases of tangible personal property or real property by the enterprise authority, excluding agents of the enterprise authority, are exempt from taxes imposed by chapter 212 as provided in s. 212.08(6). Purchases or leases of tangible personal property that is incorporated into the highspeed rail system as a component part thereof, as determined by the enterprise authority, by agents of the enterprise authority or the owner of the high-speed rail system are exempt from sales or use taxes imposed by chapter 212. Leases, rentals, or licenses to use real property granted to agents of the enterprise authority or the owner of the high-speed rail system

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are exempt from taxes imposed by s. 212.031 if the real property becomes part of such system. The exemptions granted in this subsection do not apply to sales, leases, or licenses by the enterprise authority, agents of the authority, or the owner of the high-speed rail system.

- (b) The exemption granted in paragraph (a) to purchases or leases of tangible personal property by agents of the enterprise authority or by the owner of the high-speed rail system applies only to property that becomes a component part of such system. It does not apply to items, including, but not limited to, cranes, bulldozers, forklifts, other machinery and equipment, tools and supplies, or other items of tangible personal property used in the construction, operation, or maintenance of the highspeed rail system when such items are not incorporated into the high-speed rail system as a component part thereof.
- (4) Any bonds or other security, and all notes, mortgages, security agreements, letters of credit, or other instruments that arise out of or are given to secure the repayment of bonds or other security, issued by the enterprise authority, or on behalf of the enterprise authority, their transfer, and the income therefrom, including any profit made on the sale thereof, shall at all times be free from taxation of every kind by the state, the counties, and the municipalities and other political subdivisions in the state. This subsection, however, does not exempt from taxation or assessment the leasehold interest of a lessee in any project or any other property or interest owned by the lessee. The exemption granted by this subsection is not applicable to any tax imposed by chapter 220 on interest income or profits on the sale of debt obligations owned by



corporations.

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- (5) When property of the enterprise authority is leased to another person or entity, the property shall be exempt from ad valorem taxation only if the use by the lessee qualifies the property for exemption under s. 196.199.
- (6) A leasehold interest held by the enterprise authority is not subject to intangible tax. However, if a leasehold interest held by the enterprise authority is subleased to a nongovernmental lessee, such subleasehold interest shall be deemed to be an interest described in s. 199.023(1)(d), Florida Statutes 2005, and is subject to the intangible tax.
- (7)(a) In order to be considered an agent of the enterprise authority for purposes of the exemption from sales and use tax granted by subsection (3) for tangible personal property incorporated into the high-speed rail system, a contractor of the enterprise authority that purchases or fabricates such tangible personal property must be certified by the enterprise authority as provided in this subsection.
- (b) 1. A contractor must apply for a renewal of the exemption not later than December 1 of each calendar year.
- 2. A contractor must apply to the enterprise authority on the application form adopted by the enterprise authority, which shall develop the form in consultation with the Department of Revenue.
- 3. The enterprise authority shall review each submitted application and determine whether it is complete. The enterprise authority shall notify the applicant of any deficiencies in the application within 30 days. Upon receipt of a completed application, the enterprise authority shall evaluate the

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application for exemption under this subsection and issue a certification that the contractor is qualified to act as an agent of the enterprise authority for purposes of this section or a denial of such certification within 30 days. The enterprise authority shall provide the Department of Revenue with a copy of each certification issued upon approval of an application. Upon receipt of a certification from the enterprise authority, the Department of Revenue shall issue an exemption permit to the contractor.

- (c) 1. The contractor may extend a copy of its exemption permit to its vendors in lieu of paying sales tax on purchases of tangible personal property qualifying for exemption under this section. Possession of a copy of the exemption permit relieves the seller of the responsibility of collecting tax on the sale, and the Department of Revenue shall look solely to the contractor for recovery of tax upon a determination that the contractor was not entitled to the exemption.
- 2. The contractor may extend a copy of its exemption permit to real property subcontractors supplying and installing tangible personal property that is exempt under subsection (3). Any such subcontractor may is authorized to extend a copy of the permit to the subcontractor's vendors in order to purchase qualifying tangible personal property tax-exempt. If the subcontractor uses the exemption permit to purchase tangible personal property that is determined not to qualify for exemption under subsection (3), the Department of Revenue may assess and collect any tax, penalties, and interest that are due from either the contractor holding the exemption permit or the subcontractor that extended the exemption permit to the seller.

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- (d) Any contractor authorized to act as an agent of the enterprise authority under this section shall maintain the necessary books and records to document the exempt status of purchases and fabrication costs made or incurred under the permit. In addition, an authorized contractor extending its exemption permit to its subcontractors shall maintain a copy of the subcontractor's books, records, and invoices indicating all purchases made by the subcontractor under the authorized contractor's permit. If, in an audit conducted by the Department of Revenue, it is determined that tangible personal property purchased or fabricated claiming exemption under this section does not meet the criteria for exemption, the amount of taxes not paid at the time of purchase or fabrication shall be immediately due and payable to the Department of Revenue, together with the appropriate interest and penalty, computed from the date of purchase, in the manner prescribed by chapter 212.
- (e) If a contractor fails to apply for a high-speed rail system exemption permit, or if a contractor initially determined by the enterprise authority to not qualify for exemption is subsequently determined to be eligible, the contractor shall receive the benefit of the exemption in this subsection through a refund of previously paid taxes for transactions that otherwise would have been exempt. A refund may not be made for such taxes without the issuance of a certification by the enterprise authority that the contractor was authorized to make purchases tax-exempt and a determination by the Department of Revenue that the purchases qualified for the exemption.
 - (f) The enterprise authority may adopt rules governing the



application process for exemption of a contractor as an authorized agent of the enterprise authority.

(q) The Department of Revenue may adopt rules governing the issuance and form of high-speed rail system exemption permits, the audit of contractors and subcontractors using such permits, the recapture of taxes on nonqualified purchases, and the manner and form of refund applications.

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Delete lines 3628 - 3644

226 and insert:

> Section 65. Subsection (3) of section 343.52, Florida Statutes, is amended to read:

343.52 Definitions.—As used in this part, the term:

(3) "Area served" means Miami-Dade, Broward, and Palm Beach Counties. However, this area may be expanded by mutual consent of the authority and the board of county commissioners of Martin, St. Lucie, or Monroe Counties representing the proposed expansion area. The department shall approve expansion into any additional counties.

Section 66. Section 343.53, Florida Statutes, is amended to read:

- 343.53 South Florida Regional Transportation Authority.-
- (1) There is created and established a body politic and corporate, an agency of the state, to be known as the "South Florida Regional Transportation Authority," hereinafter referred to as the "authority."
- (2) The governing board of the authority shall consist of 11 nine voting members and 1 ex officio nonvoting member, as follows:

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- (a) The county commissions of Miami-Dade, Broward, and Palm Beach Counties shall each elect a commissioner as that commission's representative on the board. The commissioner must be a member of the county commission when elected and for the full extent of his or her term.
- (b) The county commissions of Miami-Dade, Broward, and Palm Beach Counties shall each appoint a citizen member to the board who is not a member of the county commission but who is a resident of the county from which he or she is appointed and a qualified elector of that county. Insofar as practicable, the citizen member shall represent the business and civic interests of the community.
- (c) The secretary of the Department of Transportation shall appoint one of the district secretaries, or his or her designee, for the districts within which the area served by the South Florida Regional Transportation Authority is located, who shall serve ex officio as a nonvoting member.
- (d) If the authority's service area is expanded pursuant to s. 343.54(5), the county containing the new service area shall have three members appointed to the board as follows:
- 1. The county commission of the county shall elect a commissioner as that commission's representative on the board. The commissioner must be a member of the county commission when elected and for the full extent of his or her term.
- 2. The county commission of the county shall appoint a citizen member to the board who is not a member of the county commission but who is a resident and a qualified elector of that county. Insofar as is practicable, the citizen member shall represent the business and civic interests of the community.

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- 3. The Governor shall appoint a citizen member to the board who is not a member of the county commission but who is a resident and a qualified elector of that county.
- (d) (e) The Governor shall appoint five two members to the board who are residents and qualified electors in the area served by the authority but who are not residents of the same county and also not residents of the county in which the district secretary who was appointed pursuant to paragraph (c) is a resident.
- (3) (a) Members of the governing board of the authority shall be appointed to serve 4-year staggered terms, except that the terms of the appointees of the Governor shall be concurrent.
- (b) The terms of the board members currently serving on the authority that is being succeeded by this act shall expire July 30, 2003, at which time the terms of the members appointed pursuant to subsection (2) shall commence. The Governor shall make his or her appointments to the board within 30 days after July 30, 2003.
- (4) A vacancy during a term shall be filled by the respective appointing authority in the same manner as the original appointment and only for the balance of the unexpired term.
- (5) The members of the authority shall serve without compensation, but are entitled to reimbursement for travel expenses actually incurred in their duties as provided by law.
- Section 67. Subsection (5) of section 343.54, Florida Statutes, is amended to read:
 - 343.54 Powers and duties.-
 - (5) The authority, by a resolution of its governing board,



may expand its service area into Martin, St. Lucie, or Monroe Counties and enter into a partnership with any county that is contiguous to the service area of the authority. The board shall determine the conditions and terms of the partnership, except as provided herein. However, the authority may not expand its service area without the consent of the board of county commissioners representing the proposed expansion area, and a county may not be added to the service area except in the year that federal reauthorization legislation for transportation funds is enacted. The department shall approve the expansion into any additional counties.

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317 and insert:

> 120.54(5). However, a resolution, rule, or formal action is not binding unless a quorum is physically present at the noticed meeting location, and only members physically present may vote on any item.

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Between lines 4673 and 4674 insert:

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Section 101. Subsection (7) of section 215.616, Florida Statutes, is amended to read:

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215.616 State bonds for federal aid highway construction .-

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(7) Up to \$325 million in bonds may be issued for the Mobility 2000 Initiative with emphasis on the Florida Intrastate

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Highway System to advance projects in the most cost-effective manner and to support emergency evacuation, improved access to

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332 urban areas, or the enhancement of trade and economic growth

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corridors of statewide and regional significance which Florida's economic growth.

Section 102. Subsection (3) of section 288.063, Florida Statutes, is amended to read:

288.063 Contracts for transportation projects.-

(3) With respect to any contract executed pursuant to this section, the term "transportation project" means a transportation facility as defined in s. 334.03(30) s. 334.03(31) which is necessary in the judgment of the department to facilitate the economic development and growth of the state. Such transportation projects shall be approved only as a consideration to attract new employment opportunities to the state or expand or retain employment in existing companies operating within the state, or to allow for the construction or expansion of a state or federal correctional facility in a county having with a population of 75,000 or less that creates new employment opportunities or expands or retains employment in the county. The department shall institute procedures to ensure that small and minority businesses have equal access to funding provided under this section. Funding for approved transportation projects may include any expenses, other than administrative costs and equipment purchases specified in the contract, necessary for new, or improvement to existing, transportation facilities. Funds made available pursuant to this section may not be expended in connection with the relocation of a business from one community to another community in this state unless the department determines that without such relocation the business will move outside this state or determines that the business has a compelling economic rationale for the relocation which creates

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additional jobs. Subject to appropriation for projects under this section, any appropriation greater than \$10 million shall be allocated to each of the districts of the Department of Transportation to ensure equitable geographical distribution. Such allocated funds that remain uncommitted by the third quarter of the fiscal year shall be reallocated among the districts based on pending project requests.

Section 103. Subsection (2) of section 338.222, Florida Statutes, is amended to read:

338.222 Department of Transportation sole governmental entity to acquire, construct, or operate turnpike projects; exception.-

(2) The department may contract with any local governmental entity as defined in s. 334.03(13) s. 334.03(14) for the design, right-of-way acquisition, or construction of any turnpike project which the Legislature has approved. Local governmental entities may negotiate with the department for the design, right-of-way acquisition, and construction of any section of the turnpike project within areas of their respective jurisdictions or within counties with which they have interlocal agreements.

Section 104. Subsection (2) of section 341.8225, Florida Statutes, is amended to read:

341.8225 Department of Transportation sole governmental entity to acquire, construct, or operate high-speed rail projects; exception.-

(2) Local governmental entities, as defined in s. 334.03(13) s. 334.03(14), may negotiate with the department for the design, right-of-way acquisition, and construction of any component of the high-speed rail system within areas of their

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respective jurisdictions or within counties with which they have interlocal agreements.

Section 105. Subsection (27) of section 479.01, Florida Statutes, is amended to read:

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

(27) "Urban area" has the same meaning as defined in s. 334.03(31) s. 334.03(32).

Section 106. Subsection (1) of section 479.07, Florida Statutes, is amended to read:

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 Highway System outside an urban area, as defined in s. 334.03(31) s. 334.03(32), or on any portion of the interstate or federal-aid primary highway system without first obtaining a permit for the sign from the department and paying the annual fee as provided in this section. As used in this section, the term "on any portion of the State Highway System, interstate, or federal-aid primary system" means a sign located within the controlled area which is visible from any portion of the maintraveled way of such system.

Section 107. Subsection (5) of section 479.261, Florida Statutes, is amended to read:

479.261 Logo sign program.-

(5) At a minimum, 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. The department shall adopt rules that set reasonable rates based upon factors such as population, traffic volume, market demand, and costs for annual permit fees. However, annual permit fees for sign locations inside an urban area, as defined in s. 334.03(31) s. 334.03(32), may not exceed \$3,500, and annual permit fees for sign locations outside an urban area, as defined in s. 334.03(31) s. 334.03(32), may not exceed \$2,000. After recovering program costs, the proceeds from the annual permit fees shall be deposited into the State Transportation Trust Fund and used for transportation purposes.

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======== T I T L E A M E N D M E N T ========== And the title is amended as follows:

Delete lines 286 - 288

and insert:

references to the "enterprise"; amending s. 343.52, F.S.; revising the definition of the term "area served" for purposes of provisions for the South Florida Regional Transportation Authority; revising a provision for expansion of the area; amending s. 343.53, F.S.; revising the number of members of and criteria for appointment to the board of the South Florida Regional Transportation Authority; amending s. 343.54, F.S.; revising a provision authorizing the authority to expand its service area; transferring control of the Mid-Bay Bridge



449 Between lines 462 and 463 450 insert: amending ss. 215.616, 288.063, 338.222, 341.8225, 451 452 479.01, 479.07, and 479.261, F.S., relating to 453 contracts for transportation projects, turnpike 454 projects, high-speed rail projects, outdoor 455 advertising, and the logo sign program, respectively; 456 deleting obsolete language; revising references to 457 conform to the incorporation of the Florida Intrastate 458 Highway System into the Strategic Intermodal System 459 and to changes made by the act;