

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 1188
 INTRODUCER: Senator Rouson
 SUBJECT: Strategic Intermodal System
 DATE: February 13, 2018 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Price	Miller	TR	Favorable
2.			CA	
3.			RC	

I. Summary:

SB 1188 specifies that the Strategic Intermodal System (SIS) and the Emerging Strategic Intermodal System (ESIS) include existing or planned corridors that are managed lanes of transit, thereby rendering projects for managed lanes of transit potentially eligible for SIS funding.

The bill has no immediate fiscal impact, but because it adds additional facilities that may be eligible for SIS funding, fewer resources would be available for funding currently existing SIS or ESIS facilities. The extent of any future fiscal impact is indeterminate.

The bill takes effect July 1, 2018.

II. Present Situation:

Florida’s Strategic Intermodal System

Section 339.61, F.S., creates the SIS and expresses Legislative intent that the SIS consist of transportation facilities that meet a strategic and essential state interest and that limited resources available for the implementation of statewide and interregional transportation priorities be focused on that system. The SIS is intended to “efficiently serve the mobility needs of Florida’s citizens, businesses, and visitors” and to “help Florida become a worldwide leader, enhance economic prosperity and competitiveness, enrich quality of life, and reflect responsible environmental stewardship.”

The SIS and the ESIS include five different types of facilities that each form one component of an interconnected transportation system, including:

- Existing or planned *hubs* (ports and terminals including airports, seaports, spaceports, passenger terminals and rail terminals) serving to move goods or people between Florida regions or between Florida and other markets in the United States and the rest of the world;

- Existing or planned *corridors* (highways, rail lines, waterways, and other exclusive-use facilities) connecting major markets within Florida or between Florida and other states or nations;
- Existing or planned *intermodal connectors* (highways, rail lines, waterways, or local public transit systems) serving as connectors between the components listed above.
- Existing or planned *military access facilities* (highways or rail lines) linking SIS corridors to the state's strategic military installations.
- Existing or planned facilities that significantly improve the state's competitive position to compete for the movement of additional goods into and through this state.¹

The FDOT, upon initial creation of the SIS in 2003, was required to develop, in cooperation with metropolitan planning organizations, regional planning councils, local governments, and other transportation providers a SIS Plan, which has since been regularly updated.² The SIS Plan includes:

- A needs assessment;
- A project prioritization process;
- A map of facilities designated as SIS facilities; facilities that are emerging in importance and are likely to become part of the system in the future; and planned facilities that will meet the established criteria;
- A finance plan based on reasonable projections of anticipated revenues, including both ten-year and at least twenty-year cost-feasible components; and
- An assessment of the impacts of proposed improvements to the SIS corridors on certain military installations.³

SIS Funding

Chapter 201, F.S., provides for the levy of a documentary stamp tax on certain documents, such as deeds; bonds; notes and written obligations to pay money; and mortgages, liens, and other evidence of indebtedness. After required distributions to the Land Acquisition Trust Fund⁴ and deducting the General Revenue service charge,⁵ the lesser of 24.18442 percent of the remainder of the tax proceeds or \$541.75 million in each fiscal year is deposited in the State Transportation Trust Fund (STTF). From that amount, \$75 million must be deposited into the General Revenue Fund. The remaining amount credited to the STTF must be used for:

- Capital funding for the New Starts Transit Program (New Starts)⁶ in the amount of ten percent;
- The Small County Outreach Program (SCOP)⁷ in the amount of ten percent;

¹ Section 339.63(2), F.S.

² An update of the SIS Plan is required at least once every five years. Section 339.64(1), F.S.

³ Section 339.64(4), F.S. For extensive details on SIS Plans and Projects, see the documents on the FDOT's website available at: <http://www.fdot.gov/planning/systems/programs/mspi/plans/>. (Last visited February 9, 2018.) According to the site, "The combined document set illustrates projects that are funded (Year 1), programmed for proposed funding (Years 2 through 5), planned to be funded (Years 6 through 10), and considered financially feasible based on projected State Revenues (Years 11 through 25)."

⁴ Section 201.15(1) and (2), F.S.

⁵ Section 215.20, F.S.

⁶ See 49 U.S.C. s. 5309 and s. 341.051, F.S. Generally, the federal law authorizes New Starts grants to states and local governmental authorities to assist in financing rail transit and bus rapid transit systems.

⁷ Section 339.2818, F.S.

- The SIS⁸ in the amount of 75 percent after deducting the payments for New Starts and SCOP; and
- The Transportation Regional Incentive Program (TRIP)⁹ in the amount of 25 percent after deducting the payments for New Starts and SCOP.

The FDOT must also allocate from the STTF a minimum of \$60 million annually to the SIS.¹⁰ The SIS also receives a share of initial motor vehicle registration fees; of the 85.7 percent of such fees that are deposited into the STTF, the SIS receives 20.6 percent.¹¹ Further, the FDOT must allocate at least 50 percent of any new discretionary highway capacity funds to the SIS,¹² and certain increased revenue to the STTF as a result of legislation passed in 2000 is also used to support the SIS.¹³ For the 2018-2019 fiscal year, the FDOT's Program and Resource Plan for the tentative work program reflects a planned SIS budget of approximately \$5.9 billion.¹⁴

Public Transit

Public transit involves a variety of types of transportation conveyances. Section 341.031(6), F.S., defines "public transit" to mean "the transporting of people by conveyances, or systems of conveyances, traveling on land or water, local or regional in nature, and available for use by the public. Public transit systems may be either governmentally owned or privately owned. Public transit specifically includes those forms of transportation commonly known as 'paratransit.'" ¹⁵ Thus, public transit includes, for example, transportation by rail, bus, ferries, taxis, limousines, and vehicles used to provide services to the transportation disadvantaged.

Public Transit Funding

A variety of funding programs exist that provide financial resources for public transit, including, but not limited to the following:

- The FDOT administers federal grants or apportionments for public transit and intercity bus service projects, as authorized in s. 341.051, F.S. Eligible projects include those for transit service¹⁶ or transportation facilities provided by the FDOT, a public transit capital project,¹⁷ a

⁸ Section 339.61(3), F.S., annually appropriates these funds for support of the SIS.

⁹ Section 339.2819, F.S.

¹⁰ Section 339.61(1), F.S.

¹¹ Section 320.072(4)(d), F.S.

¹² Section 339.135(4)(a)2., F.S. "New discretionary highway capacity funds" means any funds available to the department above the prior year funding level for capacity improvements, which the department has to discretion to allocate to highway projects."

¹³ Section 339.1371(2), F.S.

¹⁴ See the FDOT's 2017-18 Program and Resource Plan Summary, at p. 9, available at:

<http://www.fdot.gov/workprogram/pr/ProgramAndResourcePlanSummary.pdf>. (Last visited February 9, 2018.)

¹⁵ Subsection (5) of that section defines "paratransit" to mean "those elements of public transit which provide service between specific origins and destinations selected by the individual user with such service being provided at a time that is agreed upon by the user and the provider of the service. Paratransit service is provided by taxis, limousines, "dial-a-ride" buses, and other demand-responsive operations that are characterized by their nonscheduled, nonfixed route nature."

¹⁶ See s. 341.041(7) – (10), F.S., for a description of various transit services.

¹⁷ Defined in s. 341.031(7), F.S. to mean "a project undertaken by a public agency to provide public transit to its constituency, and is limited to acquisition, design construction, reconstruction, or improvement of a governmentally owned or operated transit system."

commuter assistance project,¹⁸ a public transit service development project,¹⁹ an intercity bus service capital project,²⁰ an intercity bus service project,²¹ or a transit corridor project.²² Section 341.051(5), F.S., authorizes the FDOT to fund certain shares of the costs of such projects, depending on the project type.

- The FDOT also administers a public transit block grant program as provided in s. 341.052(3), F.S., for costs of public bus transit and local public fixed guideway capital projects, costs of public bus transit service development and transit corridor projects; and costs of public bus transit operations.²³ The Intermodal Development Program is administered by the FDOT “to provide for major capital investments in fixed-guideway transportation systems, access to seaports, airports and other transportation terminals, providing for the construction of intermodal or multimodal terminals; and to otherwise facilitate the intermodal or multimodal movement of people and goods.”²⁴ Projects eligible for FDOT funding include major capital investments in public rail and fixed-guideway transportation facilities and systems which provide intermodal access; road, rail, intercity bus service, or fixed-guideway access to, from, or between seaports, airports, and other transportation terminals; construction of intermodal or multimodal terminals; development and construction of dedicated bus lanes; and projects that otherwise facilitate the intermodal or multimodal movement of people and goods.
- The New Starts Transit Program is designed to assist local governments in developing and constructing fixed-guideway and bus rapid transit projects to aid in managing urban growth and development, and to leverage state funds to generate local transportation revenues and secure Federal Transit Administration New Starts Program funding for Florida projects.²⁵

¹⁸ Defined in s. 341.031(9), F.S., to mean “financial and technical assistance by the department to promote alternatives to the use of automobiles by a single commuter.”

¹⁹ Defined in s. 341.031(8), F.S., to mean “a project undertaken by a public agency to determine whether a new or innovative technique or measure can be utilized to improve or expand public transit services to its constituency.” The projects specifically include those “involving the utilization of new technologies, services, routes, or vehicle frequencies; the purchase of special transportation services; and other such techniques for increasing service to the riding public.

²⁰ Defined in s. 341.031(14), F.S., to mean “a capital project undertaken by an intercity bus carrier to provide intercity bus service,” which “is limited to acquisition, design, construction, reconstruction, or improvement of a privately operated intercity bus service,” and which “may include that portion of a governmentally owned or operated transit system designed to support privately operated intercity bus service.”

²¹ “Intercity bus service” is defined in s. 341.031(11), F.S., as “regularly scheduled bus service for the general public which operates with limited stops over fixed routes connecting two or more urban areas not in close proximity; has the capacity for transporting baggage carried by passengers; makes meaningful connections with scheduled intercity bus service to more distant points, if such service is available; maintains scheduled information in the National Official Bus Guide; and provides package express service incidental to passenger transportation.”

²² Defined in s. 341.031(10), F.S., to mean “a project that is undertaken by a public agency and designed to relieve congestion and improve capacity within an identified transportation corridor by increasing people-carrying capacity of the system through the use and facilitated movement of high-occupancy conveyances.”

²³ These funds are awarded by the FDOT to public transit providers eligible to receive funding from the Federal Transit Administration.

²⁴ Section 341.053, F.S.

²⁵ See the Federal Transit Administration website available at: <https://www.transit.dot.gov/funding/grant-programs/capital-investments/about-program>. (Last visited February 9, 2018.)

Managed Lanes

The terms, “managed lane” and “express lane” are not statutorily defined. However, the FDOT’s Topic No. 525-030-020-a²⁶ provides the following definitions:

- “Managed Lanes” - Highway facilities or sets of lanes within a highway facility where operational strategies are proactively implemented and managed in response to changing conditions with a combination of tools. These tools may include accessibility, vehicle eligibility, pricing, or a combination thereof. Types of managed lanes include high occupancy vehicle (HOV) lanes, high occupancy toll (HOT) lanes, truck only lanes, truck only toll lanes, bus rapid transit lanes, reversible lanes, and express lanes.
- “Express Lanes” - A type of managed lane where dynamic pricing through electronic tolling is applied to lanes with through traffic, having fewer access points. Express lanes can co-locate within an existing non tolled facility to manage congestion and provide a more reliable trip time.

Use of Managed Lanes for Bus Service

In recent years, interest has been expressed in using managed lanes, particularly “price-managed express lanes,” to serve highly congested urban areas by employing bus rapid transit and express bus service in price-managed lanes.²⁷ Bus rapid transit (BRT) service is currently offered in managed lanes on I-595.²⁸ According to the FDOT, a BRT project is considered to be a fixed-guideway project,²⁹ as it operates “primarily within a fully dedicated right-of-way (busway) in order to avoid traffic congestion.”³⁰

III. Effect of Proposed Changes:

The bill specifies that the SIS and the Emerging SIS include existing or planned corridors that are “managed lanes of transit,” making such projects potentially eligible for SIS funding. As there is no statutory definition of the term “managed lanes of transit,” a plain reading of this language would potentially make any type of “public transit” project in a managed lane eligible for SIS funding. This would include projects relating to transportation of people by rail, bus, ferry, taxi, limousine, and vehicles used to provide services to the transportation disadvantaged.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

²⁶ On file in the Senate Transportation Committee.

²⁷ For example, see the *Bus Toll Lane Concept Feasibility Study Final Report*, July 2013, available at: <https://www.tampaxway.com/wp-content/uploads/2018/01/THEA-BTL-Final-Report-Full-Packet-3.pdf>. (Last visited February 9, 2018.)

²⁸ See the FDOT’s *Making Tracks, A Primer for Implementing Transit Fixed Guideway Projects*, at p. 15, available at <http://www.fdot.gov/transit/Pages/TransitPrimer.pdf>. (Last visited February 9, 2018.)

²⁹ *Id.* at p. 5.

³⁰ *Id.* at p. 7.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

To the extent that a project for “managed lanes of transit” is eligible for SIS funding, the public may benefit from increased mobility.

C. Government Sector Impact:

The bill has no immediate fiscal impact on state or local revenues or expenditures, but because it adds additional facilities that may be eligible for SIS funding, fewer resources would be available for funding currently existing SIS or ESIS facilities. The extent of any future fiscal impact is indeterminate.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 339.63.

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.