Selection From: 02/21/2023 - Transportation (9:30 AM - 11:30 AM) Customized

Agenda Order

2023 Regular Session 07/15/2024 3:23 PM

Tab 1	SB	<b>64</b> by <b>H</b> o	ooper; Sim	ilar to H 00425 Department	t of Transportation	
337318	D	S	RCS	TR, Hooper	Delete everything after	02/22 04:15 PM

Tab 2	SB	<b>370</b> by <b>E</b>	Brodeur; Ele	ectronic Motor Vehicle Reg	gistration Certificates	
608268	Α	S	RCS	TR, Brodeur	Delete L.42:	02/22 04:15 PM

#### The Florida Senate

#### **COMMITTEE MEETING EXPANDED AGENDA**

**TRANSPORTATION** Senator DiCeglie, Chair Senator Davis, Vice Chair

**MEETING DATE:** Tuesday, February 21, 2023

TIME: 9:30—11:30 a.m.

Toni Jennings Committee Room, 110 Senate Building PLACE:

Senator DiCeglie, Chair; Senator Davis, Vice Chair; Senators Boyd, Broxson, Burton, Gruters, Hooper, Pizzo, Torres, and Trumbull **MEMBERS**:

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
1	SB 64 Hooper (Similar H 425)	Department of Transportation; Requiring that no more than 20 percent of revenues derived from certain taxes and fees and deposited into the State Transportation Trust Fund be committed annually by the department for public transit projects; providing requirements for progressive design-build contracts; revising the dollar limit of proposed budget estimates of construction contracts for which an applying contractor may submit certain financial statements; prohibiting local governments from refusing to accept electronic tickets approved by the department for use as official records for material deliveries on local government projects, etc.  TR 02/21/2023 Fav/CS ATD FP	Fav/CS Yeas 9 Nays 0
2	SB 370 Brodeur	Electronic Motor Vehicle Registration Certificates; Authorizing a uniform paper or electronic format of the registration certificate for a motor vehicle; prohibiting an officer or agent from accessing certain information upon presentation of an electronic registration certificate on an electronic device, etc.  TR 02/21/2023 Fav/CS ATD FP	Fav/CS Yeas 9 Nays 0

## 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 Sta	aff of the Committe	e on Transport	ation	
BILL:	CS/SB 64					
INTRODUCER:	Transportation	n Committee and Sen	ator Hooper			
SUBJECT: Department		f Transportation				
DATE:	February 21, 2	2023 REVISED:				
ANAL	YST	STAFF DIRECTOR	REFERENCE		ACTION	
1. Price	·	Vickers	TR	Fav/CS		
2.			ATD			
3.			FP			

### Please see Section IX. for Additional Information:

**COMMITTEE SUBSTITUTE - Substantial Changes** 

#### I. Summary:

CS/SB 64 contains various provisions relating to the Florida Department of Transportation (FDOT). The bill:

- Clarifies that stipends paid by the FDOT to non-selected design-build firms that have submitted responsive proposals for construction contracts contained in the FDOT's legislatively approved work program are not subject to existing documentation and notification requirements for stipend payments made by the FDOT to resolve a bid protest through a settlement.
- Requires the FDOT to implement strategies to reduce the cost of all project phases while ensuring the design and construction of project meet applicable federal and state standards, and to track such strategies and the projected savings to be realized therefrom.
- Authorizes the FDOT to share a portion of the construction cost savings realized due to a
  change in the construction contract design and scope, initiated after execution of the contract,
  with a design services consultant or a construction engineering and inspection services
  consultant to the extent that the consultant's input and involvement contributed to such
  savings, not to exceed ten percent of the construction cost savings realized.
- Repeals a provision prohibiting the FDOT from requesting legislative approval of a proposed turnpike project until the design phase of that project is at least thirty percent complete.
- Revises authorization for an applying contractor who desires to bid exclusively on construction contracts with proposed budget estimates of \$2 million (rather than \$1 million) to submit reviewed (rather than audited, certified) annual or reviewed interim financial statements prepared by a certified public accountant.

• Authorizes an applicant for an FDOT contractor certificate of qualification to submit with a timely submitted application a request to keep an existing certificate, with the current maximum capacity rating, in place until the expiration date.

- Requires each contract let by the FDOT for performance of bridge construction or
  maintenance over navigable waters to contain a provision requiring marine general liability
  insurance, in an amount determined by the FDOT, which covers third-party personal injury
  and property damage caused by vessels used by the contractor in the performance of the
  work.
- Prohibits a producer from certifying any shipment of aggregates to a customer other than the
  FDOT unless such shipment is in compliance with the FDOT's rules, requires producer
  certification of aggregates in accordance with the FDOT's rules, provides that an electronic
  ticket generated by a system used by the FDOT serves as an official record for material
  deliveries on local government projects, and prohibits a local government from refusing to
  accept electronic tickets.
- Repeals a current provision of law providing temporary confidential and exempt status from public records requirements for a document that reveals the identity of a person who has requested or obtained a bid package, plan, or specifications pertaining to any project to be let by the FDOT.

The fiscal impact of the bill is indeterminate. Please see the "Fiscal Impact Statement" heading.

The bill takes effect July 1, 2023.

#### II. Present Situation:

For ease of organization and readability, the present situation is discussed below in conjunction with the effect of the proposed changes.

#### III. Effect of Proposed Changes:

#### FDOT Contracting and Procurement Authority/Settlements and Stipends (Section 3)

#### **Present Situation**

When the FDOT determines that doing so is in the best interest of the public and intends, *through a settlement*, to pay a non-selected responsive bidder a total sum of \$1 million or more, including any amount paid pursuant to s. 334.049, F.S. (patents, copyrights, trademarks, and trade secrets), s. 337.11(8), F.S. (stipends to non-selected, responsive design-build firms), or any other law, current law requires the FDOT to:<sup>1</sup>

- Document in a written memorandum by the FDOT secretary the specific reasons that such settlement and payment to a non-selected responsive bidder is in the best interest of the state. The written memorandum must be included and maintained in the permanent procurement files of the FDOT and must include:
  - A description of the property rights, patent rights, copyrights, trademarks, or the engineering design or other design work that the department will acquire or retain as a result of such settlement; and

<sup>&</sup>lt;sup>1</sup> Section 337.1101(1), F.S.

• The specific appropriation in the existing General Appropriations Act which the department intends to use to provide such payment.

- Provide prior written notification to the President of the Senate, the Speaker of the House of Representatives, the Senate and House of Representatives minority leaders, the chair and vice chair of the Legislative Budget Commission, and the Attorney General at least 5 business days, or as soon thereafter as practicable, before the FDOT makes the settlement agreement final. Such written notification must include the written memorandum described above.
- Provide written notification of such discussions to the same individuals at the time settlement discussions regarding any such payment have begun in earnest.

The FDOT is separately authorized, when the FDOT determines that doing so is in the best interest of the public, to pay a stipend to non-selected design-build firms that have submitted responsive proposals to the FDOT for construction contracts.<sup>2</sup> These projects are included in the FDOT's legislatively approved work program. The decision and amount of a stipend must be based on the FDOT's analysis of the estimated proposal development costs and the anticipated degree of engineering design during the procurement process. The FDOT retains the right to use the designs in the proposals from responsive non-selected design-build firms that accept a stipend.

A review of the FDOT's Work Program Instructions suggests that the amount of a stipend to be paid is noted in the request for proposals for a design-build project. The FDOT enters into a stipend agreement with each firm after the proposals are "shortlisted," and each agreement states that the firm that receives the project contract award will not get the stipend. The non-selected firms then submit an invoice within two weeks after the project contract is executed and are paid the stipend amount noted in the request for proposals.

While the FDOT might settle a bid protest through payment of a stipend, in contrast to any amounts paid by the FDOT that would trigger the documentation and notice requirements *for a settlement*, stipends paid by the FDOT pursuant to its separate authority are authorized payments arrived at by contract *during the procurement process*.

#### Effect of Proposed Changes

The bill amends s. 337.1101(1), F.S., to clarify that stipends paid by the FDOT to non-selected design-build firms that have submitted responsive proposals for construction contracts contained in the FDOT's legislatively approved work program are not subject to existing documentation and notification requirements for stipend payments made by the FDOT to resolve a bid protest through a settlement. If the FDOT pays a stipend to *settle* a bid protest in an amount that triggers the requirements, the FDOT must continue to comply with the documentation and notification requirements.

<sup>&</sup>lt;sup>2</sup> Section 337.11(8), F.S.

<sup>&</sup>lt;sup>3</sup> A "shortlist" is a list of selected candidates from which a final choice is to be made.

<sup>&</sup>lt;sup>4</sup> See FDOT, Work Program Instructions FY 23/24 – 27/28, p. 378 of 861, available at WorkProgramInstructions.pdf (state.fl.us) (last visited February 1, 2023).

#### **Project Cost-Reduction Strategies and Cost Savings Sharing (Section 2)**

#### **Present Situation**

The FDOT is required to periodically review its construction, design, and maintenance standards to ensure that such standards are cost-effective and consistent with applicable federal regulations and state law.<sup>5</sup>

The FDOT's Cost Savings Initiative (CSI) is a program that allows contractors to submit proposals that contribute to the cost effectiveness of a given transportation construction project. The CSI Program "provides a method for the Contractor to propose changes in the contract requirements which will accomplish the project's functional requirements, while reducing the project cost, increasing cost effectiveness or significantly improving the project quality without degrading performance, maintainability, or safety. Any proposal submitted that reduces the project cost without substantially changing the work and that was not otherwise provided for in the contract documents should be considered as a CSI Proposal."

The FDOT has an extensive process for evaluating submitted CSI proposals. A contractor's CSI submittal must identify the proposal as a CSI submittal, and a mandatory CSI workshop must be held prior to the beginning of the contract time. The submittal must include a number of items (a description, separate detailed cost estimates, revised plans, a date by which a decision is needed, and a revised project schedule). A submittal must also include an engineering analysis of the proposed change in the contract requirements.

According to the FDOT's Standard Specifications for Road and Bridge Construction, "If the Department approves a Proposal, the Contractor shall receive 50% of the net reduction in the cost of performance of the Contract as determined by the final negotiated agreement between the contractor and the Department. The net reduction will be determined by subtracting from the savings of the construction costs the reasonable documented engineering costs incurred by the contractor to design and develop a Proposal." Under the specification, "The total engineering costs to be subtracted from the savings to determine the net reduction will be limited to 25% of the construction savings and shall not include any markup by the Contractor or the costs for engineering services performed by the Contractor."

As an example of the net reduction calculation, if the total construction cost savings is \$100,000 and the documented engineering costs are \$10,000, the net reduction equals \$90,000. The contract for an approved CSI Proposal would be reduced by 50% of the net reduction (\$45,000).

<sup>&</sup>lt;sup>5</sup> Section 334.044(10)(b), F.S.

<sup>&</sup>lt;sup>6</sup> FDOT CSI Procedure 625-030-0050, available at Cost Savings Initiative (CSI) (fdot.gov) (last visited January 9, 2023).

<sup>&</sup>lt;sup>7</sup> *Id. See also* Specification 4-3.9, *FDOT Standard Specifications for Road and Bridge Construction FY 2023-24*, available at <u>fy2023-24ebook.pdf (windows.net)</u> (last visited January 9, 2023).

<sup>&</sup>lt;sup>8</sup> See the FDOT CSI Presentation, Cost Savings Initiatives, p. 14, supra note 33.

<sup>&</sup>lt;sup>9</sup> *Supra* note 34, Specification 4-3.9.7.

<sup>&</sup>lt;sup>10</sup> *Supra* note 33, p. 5-6.

The FTBA advises that under the CSI Program, even if a submitted proposal from a contractor is based on an idea presented to the contractor by a design consultant or a construction engineering and inspection services consultant, the consultant does not receive a share of the cost savings.<sup>11</sup>

#### Effect of Proposed Changes

The bill creates s. 337.11(16), F.S., requiring the FDOT to implement strategies to reduce the cost of all project phases, including design, construction, and inspection, <sup>12</sup> while ensuring that the design and construction of projects meet applicable federal and state standards. The bill also requires the FDOT to track such strategies, as well as the projected savings to be realized from such strategies.

The bill creates s. 337.11(17), F.S., authorizing the FDOT to share a portion of the construction cost savings realized due to a change in the construction contract design and scope, initiated after execution of the contract, with a design services consultant or a construction engineering and inspection services consultant in accordance with the extent that the consultant's input and involvement contributed to such savings. The amount paid may not exceed ten percent of the construction cost savings realized. This revision may incentivize the identified consultants (as opposed to contractors under the FDOT's CSI Program) to propose and share in cost savings to be realized during the course of an FDOT construction contract.

#### **Legislative Approval of a Proposed Turnpike Project (Section 6)**

#### **Present Situation**

The Florida Turnpike Enterprise (FTE) within the FDOT is empowered to plan, construct, maintain, repair, and operate the Florida Turnpike System. The FTE's powers are in addition to those of the FDOT.<sup>13</sup> The FTE is a single budget entity that develops its own budget, submitted to the Legislature along with the FDOT's.<sup>14</sup> The turnpike system currently includes the mainline from Central Florida to Miami, as well as the Homestead Extension, and the First Coast Expressway, the Seminole Expressway, the Beachline West and Beachline East Expressways, the Southern Connector Extension, the Sawgrass Expressway, the Suncoast Parkway, the Daniel Webster Western Beltway, the Veterans Expressway, the I-4 Connector, and the Polk Parkway.<sup>15</sup>

A proposed turnpike project may not be added to the turnpike system unless the project is determined to be economically feasible, a statement of environmental feasibility is completed for the project, and such project is determined to be consistent with approved local comprehensive plans of the local governments in which the project is located, to the maximum extent feasible. <sup>16</sup>

<sup>&</sup>lt;sup>11</sup> Telephone conversation with the FTBA, January 9, 2023.

<sup>&</sup>lt;sup>12</sup> "Inspection" refers to "construction, engineering, and inspection services," which include the activities required to review and inspect highway and bridge construction performed by a construction contractor. *See* FDOT, Construction, Engineering & Inspections, available at <u>Construction</u>, <u>Engineering & Inspections</u> (fdot.gov) (last visited January 9, 2023).

<sup>&</sup>lt;sup>13</sup> Section 338.2216(1)(a), F.S.

<sup>&</sup>lt;sup>14</sup> Section 338.2216(3)(a), F.S.

<sup>&</sup>lt;sup>15</sup> For a map of the turnpike system, *see* Florida's Turnpike System Maps, available at <u>Florida's Turnpike System Maps</u> – Florida's Turnpike (floridasturnpike.com) (last visited February 3, 2023).

<sup>&</sup>lt;sup>16</sup> Section 338.223(1)(a), F.S.

"Economically feasible" for a proposed turnpike project means that, as determined by the FDOT before issuance of revenue bonds for the project, the estimated net revenues of the project, excluding feeder roads<sup>17</sup> and turnpike improvements, will be sufficient to pay at least 50 percent of the annual debt service on the bonds by the end of the 12th year of operation and to pay at least 100 percent of the debt service on the bonds by the end of the 30th year of operation. Up to 50 percent of the adopted work program costs of the project may be funded from turnpike revenues.<sup>18</sup> The required statement of *environmental* feasibility is a statement by the Department of Environmental Protection of the project's significant environmental impacts,<sup>19</sup> and that review must occur prior to requesting legislative approval of a proposed turnpike project.<sup>20</sup>

If a proposed project is economically feasible, consistent to the maximum extent feasible with the applicable local comprehensive plans, and a favorable statement of environmental feasibility is completed, the FDOT, with the approval of the Legislature, is directed to construct, maintain, and operate the project.

The FDOT may authorize engineering studies, traffic studies, environmental studies, and other expert studies of the location, costs, economic feasibility, and practicality of proposed turnpike projects and may proceed with the design phase of such projects.<sup>21</sup> However, the FDOT may not request legislative approval of a proposed project (by including the project in the FDOT's annual request for legislative approval of its budget) until the design phase of the project is at least thirty percent complete.<sup>22</sup>

Research reveals that this limitation on requesting legislative approval applies only to a proposed turnpike project. The limitation does not apply to other FDOT projects. The FTBA suggests the limitation, especially in light of the specific authorization for progressive design-build contracting, is overly restrictive and could cause project delays.<sup>23</sup>

#### Effect of Proposed Changes

The bill amends s. 338.223(1)(a), F.S., to remove the prohibition against the FDOT requesting legislative approval of a proposed turnpike project until the design phase of that project is at least thirty percent complete. A proposed turnpike project must continue to be economically feasible, a statement of environmental feasibility must still be completed for the project before requesting legislative approval, and such project must still be determined to be consistent with approved local comprehensive plans of the local governments in which the project is located, to the maximum extent feasible.

<sup>&</sup>lt;sup>17</sup> A "feeder road" is defined as any road no more than five miles in length, connecting to the turnpike system which the FDOT determines is necessary to create or facilitate access to a turnpike project. Section 338.221(3), F.S

<sup>&</sup>lt;sup>18</sup> Sections 338.223(1)(a) and 338.221(8)(a), F.S.

<sup>&</sup>lt;sup>19</sup> Section 338.221(10), F.S.

<sup>&</sup>lt;sup>20</sup> Section 338.223(1)(c), F.S.

<sup>&</sup>lt;sup>21</sup> Supra note 38.

<sup>&</sup>lt;sup>22</sup> Id.

<sup>&</sup>lt;sup>23</sup> Telephone conversation with the FTBA, January 31, 2023.

#### **Contractor Certificates of Qualification (Section 4)**

#### **Present Situation**

Current law requires any contractor desiring to bid on any FDOT construction contract in excess of \$250,000 to first be certified by the FDOT as qualified pursuant to s. 337.14, F.S., and the FDOT's rules. He applying to the FDOT, each application for certification must be accompanied by the contractor's latest annual financial statement, which must have been completed within the last 12 months. If the application or the annual financial statement shows the contractor's financial condition more than four months prior to the date on which the FDOT receives the application, the contractor must also submit an interim financial statement and an updated application. Each required annual or interim financial statement must be audited and accompanied by the opinion of a certified public accountant (CPA). However, an applying contractor who desires to bid exclusively for the performance of construction contracts with proposed budget estimates of less than \$1 million may submit reviewed annual or reviewed interim financial statements prepared by a CPA.

The FDOT's rules include requirements with respect to the equipment, past record, experience, financial resources, and organizational personnel of the applying contractor which are necessary to perform the specific class of work for which the contractor seeks certification. In so doing, the FDOT verifies and evaluates whether an applicant is competent and responsible and possesses the necessary financial resources to perform the requested work.<sup>27</sup>

Part of the latter inquiry involves whether an applicant has the financial resources sufficient to establish a maximum capacity rating (MCR), which is defined as the total aggregate dollar amount of *uncompleted* work an applicant may have under contract at any one time as a prime contractor and/or subcontractor, regardless of the work location and with whom the applicant contracted. According to the FDOT's rules, the MCR is established by a formula, one element of which is the "ability factor." The FDOT's rules require an applicant's maximum capacity rating to be reduced by the total value of their current uncompleted work, producing the applicant's "current capacity," or bidding capacity. Under the rule, the current capacity must be amended immediately upon issuance of a new certificate of qualification, regardless of whether the existing certificate has expired. 29

Currently, if an applicant for a certificate of qualification is found to possess the prescribed qualifications, the FDOT must issue the applicant a certificate, which, unless revoked by the FDOT for good cause, is valid for a period of 18 months after the date of the applicant's financial statement, or such shorter period as the FDOT prescribes. Submission of an application

<sup>&</sup>lt;sup>24</sup> Rule Chapter 14-22, F.A.C.

<sup>&</sup>lt;sup>25</sup> The interim statements must cover the period from the end date of the annual statement and must show the financial condition of the applying contractor no more than four months prior to the date the FDOT receives the interim statement but, upon request of the applicant, an application and accompanying annual or interim financial statement received by the FDOT within 15 days after either four-month period is considered timely.

<sup>&</sup>lt;sup>26</sup> A reviewed annual or reviewed interim financial statement is less expensive than an audited, certified annual or interim financial statement.

<sup>&</sup>lt;sup>27</sup> Rule 14-22.003(1), F.A.C.

<sup>&</sup>lt;sup>28</sup> Rule 14.22-003(1)(d) and (2), F.A.C.

<sup>&</sup>lt;sup>29</sup> Rule 14-22.006(1), F.A.C.

does not affect expiration of the certificate and, as of July 1, 2021, does not affect the ability factor of the applicant or the maximum capacity rating of the applicant.<sup>30</sup>

The FTBA indicated the FDOT requested revision of the current language to address overlapping certificates of qualification and any changes in the amount of new work that a firm can bid, due to a revised maximum capacity rating. As an example, the FTBA described a potential situation in which a firm is allowed to bid on a \$1 million contract under its existing certificate of qualification and then is later found nonresponsive when a new certificate is issued to the firm during the time leading up to the submission of a bid, due to a revised (lower) capacity rating.<sup>31</sup>

#### Effect of Proposed Changes

The bill amends s. 337.14(1), F.S, to increase from \$1 million to \$2 million the proposed budget estimate amount for triggering authorization of an applying contractor to submit reviewed annual or reviewed interim financial statements prepared by a CPA, instead of audited, certified statements. An applying contractor who desires to bid exclusively on construction contracts with proposed budget estimates of \$2 million or less may submit reviewed annual or reviewed interim financial statements prepared by a CPA.

The bill also amends the current provision in s. 337.14(4), F.S., that submission of an application does not affect the ability factor or the maximum capacity rating of an applicant for an FDOT certificate of qualification. Instead, the bill authorizes an applicant to submit a written request to the FDOT with a timely submitted application to keep an existing certificate in place until its expiration date. If the FDOT approves the request, the applicant's current maximum capacity rating must remain in place until expiration of the current certification. In the absence of the FDOT's approval and in accordance with the FDOT's existing rules, the current capacity must be amended immediately upon issuance of a new certificate of qualification, regardless of whether the existing certificate has expired.

#### **FDOT Contractor Insurance Requirements (Section 2)**

#### **Present Situation**

Each contract let by the FDOT requires the contractor to indemnify and hold harmless the FDOT, its officers, and employees from any liabilities, damages, losses, and costs, including, but not limited to, reasonable attorney's fees, to the extent caused by the negligence, recklessness, or intentional wrongful misconduct of the contractor and persons employed or used by the contractor in performance of the construction contract. The FDOT's contractors are also required to carry commercial general liability insurance, with limits not less than \$1 million for each occurrence and not less than a \$5 million annual general aggregate, with additional requirements for construction adjacent to railroad tracks and certain utility facilities. 33

<sup>&</sup>lt;sup>30</sup> Section 337.14(4), F.S. *See* s. 10, ch. 2021-188, Laws of Fla., which added the ability factor and MCR as items not being affected by the submission of an application.

<sup>&</sup>lt;sup>31</sup> See FTBA email to Transportation Committee staff, November 30, 2021 (on file in the Senate Transportation Committee).

<sup>&</sup>lt;sup>32</sup> FDOT, *Standard Specifications for Road and Bridge Construction*, *FY* 2023-24, Section 7-12.1, available at <u>fy2023-</u>24ebook.pdf (windows.net) (last visited February 1, 2023).

<sup>&</sup>lt;sup>33</sup> *Id.* at 7-13.2, 7-13.3, and 7-13.4.

In September of 2020, during the high winds and seas of Hurricane Sally, the Pensacola Bay Bridge suffered severe damage after multiple barges used by the FDOT's contractor in the bridge's construction broke free of their moorings and struck the bridge.<sup>34</sup> The FDOT closed the bridge to all traffic until May of 2021.<sup>35</sup> Claims were filed by businesses, homeowners, governments, and others claiming direct loss.

The contractor, citing the federal Limitation of Liability Act of 1851 (the Act),<sup>36</sup> sought to limit its liability to the value of the barges that actually caused damage to the bridge (approximately \$1.43 million).<sup>37</sup> A federal court judge subsequently ruled that the contractor was negligent in its preparations ahead of Hurricane Sally<sup>38</sup> and was not entitled to the limitation of liability contained in the Act.<sup>39</sup>

#### Effect of Proposed Changes

The bill creates s. 337.11(15), F.S., requiring each contract let by the FDOT for performance of bridge construction or maintenance over navigable waters to contain a provision requiring marine general liability insurance, in an amount determined by the FDOT, that covers third-party personal injury and property damage caused by vessels used by the contractor in the performance of the work.

#### Construction Aggregates and Material Deliveries (Sections 1 and 7)

#### Present Situation

The FDOT is currently authorized to adopt rules relating to approval of aggregate<sup>40</sup> and other material sources.<sup>41</sup> Pursuant to that authorization, the FDOT has adopted rules relating to

<sup>&</sup>lt;sup>34</sup> See FDOT, Pensacola Bay Bridge Updates and FAQ, available at Pensacola Bay Bridge FAQ (fdot.gov), for additional details (last visited February 1, 2023).

<sup>&</sup>lt;sup>35</sup> Pensacola New Journal, *Pensacola Bay Bridge finally open after 8-month closure; drivers can expect some delays*, Kennedy, E., May 28, 2021, available at <u>Pensacola Bay Bridge reopened after Skanska barges damaged during hurricane</u> (pnj.com) (last visited February 1, 2023).

<sup>&</sup>lt;sup>36</sup> 46 U.S.C. s. 30501, et. seq. Generally, the Act applies to seagoing vessels and vessels used on lakes or rivers or in inland navigation, including canal boats and barges. 46 U.S.C. s. 30502. Under the Act, the liability of the owner of a vessel for specified claims, debts, or liabilities may not exceed the value of the vessel and pending freight. 46 U.S.C. s. 30505(a).

<sup>37</sup> Constructiondive, *Skanska wins key ruling in Pensacola bridge case*, Bousquin, J., August 3, 2021, available at <u>Skanska wins key ruling in Pensacola bridge case</u> | Construction Dive (last visited February 1, 2023).

<sup>&</sup>lt;sup>38</sup> NorthEscambia.com, *Skanska Loses Federal Lawsuit Over Hurricane Sally Barge Damage*, December 29, 2021, available at <u>Skanska Loses Federal Lawsuit Over Hurricane Sally Barge Damage</u>: NorthEscambia.com (last visited February 1, 2023).

<sup>&</sup>lt;sup>39</sup> Pensacola News Journal, *Skanska loses Hurricane Sally trial. Judge finds company negligent for failing to prepared*, Kennedy, E., December 29, 2021, available at <u>Skanska trial: Judge sides with claimants in Hurricane Sally case (pnj.com)</u> (last visited February 1, 2023).

<sup>&</sup>lt;sup>40</sup> Generally speaking, aggregate materials are mined resources that provide the basic material for concrete, asphalt, and road base. Rule 14-103.003(3), F.A.C., defines the term "aggregate" to mean a granular construction material such as sand, limerock, limestone, gravel, shell, slag, and crushed stone; manufactured materials such as shales, slates, and clays; and recycled material such as crushed concrete used as specified, or for other construction materials and uses not yet developed, but which may have potential usage by the FDOT.

<sup>&</sup>lt;sup>41</sup> Section 334.044(10)(d), F.S. The FDOT may enter into agreements with private or public entities that will provide reliable and economic supplies of construction aggregate materials and control time and cost increases on construction projects. Section 337.026, F.S.

construction aggregates, <sup>42</sup> setting out a standardized method for producers of construction aggregates to apply for, receive, and maintain FDOT approval of construction aggregate sources for use on FDOT projects. The FDOT's primary methods of determining acceptability of aggregate are source and product approval, and maintenance of an on-going quality control program as monitored by the FDOT.<sup>43</sup>

Under the rule, a quality control program requires *producers* of construction materials to:

- Be responsible for their products;
- Establish, maintain, and implement their own individualized process control system; and
- Certify to the FDOT compliance of their product with the applicable standards and contract specifications.<sup>44</sup>

Approval of a source and implementation of a quality assurance program by the FDOT does not relieve the producer of responsibility for compliance with the producer's quality control program, nor of shipping aggregate that meet specifications. <sup>45</sup> Contractors must transport and handle aggregate in a manner that precludes significant variation in the properties of the aggregate, and the rule recites the FDOT's reservation of the right to test all aggregate at the point of use or at the project site to determine acceptability for use according to contract specifications. <sup>46</sup>

Under the FDOT's rules, to "certify" means that the producer affixes the statement "CERTIFIED FOR FDOT" or "CERT. FOR FDOT" to a shipping ticket to attest that the subject aggregate shipment was produced and shipped under an FDOT-approved quality control program and for which quality control tests indicate that the subject aggregate meets the FDOT's specifications and quality and uniformity requirements.<sup>47</sup> Certification must be made at the time of shipment when the weight of material is recorded on the shipping ticket.<sup>48</sup>

According to the Federal Highway Administration (FHWA), "massive amounts of valuable data" are produced by highway construction projects and, historically, such information was communicated via paper. The sole use of paper tickets, such as aggregate shipping tickets collected from truck drivers documenting the weight of every load of materials delivered to a project site "is cumbersome, inefficient, and outdated." Electronic ticketing, known as "e-

<sup>&</sup>lt;sup>42</sup> Rule Chapter 14-103, F.A.C. Section 334.179, F.S., prohibits local governments from adopting standards or specifications that are in conflict with the FDOT's standards or specifications for permissible use of aggregates that have been certified for use.

<sup>&</sup>lt;sup>43</sup> Rule 14-103.002(1), F.A.C.

<sup>&</sup>lt;sup>44</sup> Rule 14-103.002(2), F.A.C.

<sup>&</sup>lt;sup>45</sup> Rule 14-103.002(3), F.A.C.

<sup>46</sup> Id.

<sup>&</sup>lt;sup>47</sup> Rule 14-103.003(5), F.A.C. Section 334.179, F.S., defines the term" certified for use" as meaning the aggregates have been certified by the producer in accordance with FDOT rules.

<sup>&</sup>lt;sup>48</sup> Rule 14-103.004(5)(e), F.A.C. A different process is used for direct shipment from a mine through a redistribution terminal (a physical operation at a fixed location, not including the point of production, where aggregates are received from one or more approved sources, recombined from discrete haul units into common storage units, then redistributed for resale to more than one point of use). *See* Rule 14-103.004(5)(g), F.A.C. However, shipping tickets are also required, and a given shipping ticket must reference the producer's ticket number (bill of lading) from the mine.

<sup>&</sup>lt;sup>49</sup> *See* highways.dot.gov, *e-Ticketing Implementation Plan*, December 2021, available at <u>FHWA-HRT-22-045</u>: <u>e-Ticketing Implementation Plan</u> (dot.gov), at p. 3. (last visited February 2, 2023).

Ticketing" in the industry, "is a market-ready digital innovation that automates the recording and transfer of information in real time for materials as they are moved from the plant to the job site." <sup>50</sup>

The FTBA advises that a small number of local governments are refusing to accept electronic shipping tickets and are continuing to require paper shipping tickets.<sup>51</sup>

#### Effect of Proposed Changes

The bill amends s. 334.179, F.S., to prohibit a producer from certifying any shipment of aggregates to a customer other than the FDOT unless such shipment is in compliance with the FDOT's rules. This appears to be a restatement of current law, as aggregate shipments must be certified by a producer in accordance with Rule Chapter 14-103, F.A.C., the FDOT's legislatively authorized rule.

In addition, notwithstanding the provisions of s. 334.179, F.S., the bill requires producer certification of aggregates in accordance with rules adopted pursuant to s. 334.044(10), F.S., which is again the same rule chapter.

The bill also creates s. 334.180, F.S., providing that an electronic ticket generated by a system used by the FDOT serves as an official record for material deliveries on local government projects. Notwithstanding any law, rule, or ordinance to the contrary, a local government is prohibited from refusing to accept such electronic ticket.

#### **Public Records Exemption/Confidentiality of Bidders (Section 5)**

Section 336.168(1) and (3), F.S., establish confidential and exempt status from public records requirements of s. 119.07(1), F.S., for:

- A document or electronic file revealing the FDOT's official cost estimate of a project until
  the contract for the project has been executed or until the project is no longer under active
  consideration; and
- The FDOT's bid analysis and monitoring system, including all system documentation, input, computer processes and programs, electronic data files, and output. This does not apply to the actual source documents, unless otherwise exempted under other provisions of law.

Section 337.168(2), F.S., currently provides that a document<sup>52</sup> revealing the identity of persons who have requested or obtained bid packages, plans, or specifications pertaining to any project to be let by the department is confidential and exempt from the provisions of s. 119.07(1), F.S., for the period which begins two working days before the deadline for obtaining bid packages, plans,

<sup>&</sup>lt;sup>50</sup> *Id*.

<sup>&</sup>lt;sup>51</sup> Conversation with the FTBA December 20, 2022. The FDOT's Standard Specifications for Road and Bridge Construction FY 2023-24 authorize its contractors to use either a paper ticketing system or an electric ticketing (E-ticketing) system. *See* 320-3.2.1, p. 273 of 1299, available at <u>fy2023-24ebook.pdf (windows.net)</u> (last visited February 15, 2023).

<sup>&</sup>lt;sup>52</sup> The FDOT advised that many documents submitted by contractors contain both exempt and non-exempt information. Telephone conversation between FDOT staff and Senate Transportation Committee staff, November 24, 2021. In accordance with s. 119.07(1)(d), F.S., the FDOT would be required to redact any information contained in a document that reveals the identity of persons who have requested or obtained bid packages if the information is exempt under any other provision of law.

or specifications and ends with the letting of the bid. A document that reveals the identity before the two working days before the deadline for obtaining bid packages, plans, or specifications remains a public record.

According to the FDOT's analysis and information provided on the same language proposed during the 2022 Session, the FDOT maintains a website that lists the identity of those who have requested or obtained bid packages for a given project. The lists contain for each person a vendor identification number, an indication of the name of the entity that ordered the documents, and a shipping address and phone number for each. The lists did not appear to contain any information which would be exempt under any other provisions of law. The FDOT advised the lists are published daily, except for during the two-day confidential period defined in current law, and a comprehensive list is then published after the letting occurs.<sup>53</sup>

The issue appears to relate to small contractors, who use the identities of potential bidders for the purpose of submitting sub-contract bids to general contractors for their use in preparing bids for FDOT projects.<sup>54</sup>

#### Effect of Proposed Changes

The bill amends s. 337.168(2), F.S., to repeal the temporary public records exemption for a document revealing the identity of persons who have requested or obtained bid packages, plans, or specifications pertaining to any project to be let by the FDOT. According to the FTBA, this revision provides full transparency as to the identity of potential bidders during the entire procurement process.<sup>55</sup>

#### **Effective Date (Section 8)**

The bill takes effect July 1, 2023.

#### IV. Constitutional Issues:

A. Municipality/Coun	y Mandates Restrictions:
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None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

<sup>&</sup>lt;sup>53</sup> See FDOT email to Transportation Committee staff, November 24, 2021 (on file in the Senate Transportation Committee).

<sup>&</sup>lt;sup>54</sup> Telephone conversation between FDOT staff and Senate Transportation Committee staff, November 24, 2021.

<sup>&</sup>lt;sup>55</sup> See FTBA email to Transportation Committee staff, November 30, 2021 (on file in the Senate Transportation Committee).

#### D. State Tax or Fee Increases:

None.

#### E. Other Constitutional Issues:

None identified.

#### V. Fiscal Impact Statement:

#### A. Tax/Fee Issues:

None.

#### B. Private Sector Impact:

The fiscal impact of the FDOT's authorization to share a portion of construction cost savings (realized due to a change in the construction contract design and scope after the contract is executed) with a design service consultant or a construction, engineering, and inspection services consultant is indeterminate, as the amount of any potentially shared savings is unknown.

Contractors who wish to bid exclusively on construction contracts with proposed budget estimates of \$2 million or less are expected to experience a positive fiscal impact, in an unknown amount, resulting from the authorization to submit reviewed annual or reviewed interim financial statements prepared by a CPA, which are less expensive than audited, certified annual or interim financial statements.

Contractors who enter into an FDOT contract for performance of bridge construction or maintenance over navigable waters would be required to purchase marine general liability insurance, in an amount determined by the FDOT.

#### C. Government Sector Impact:

The fiscal impact of the FDOT's authorization to share a portion of construction cost savings (realized due to a change in the construction contract design and scope after the contract is executed) with a design service consultant or a construction, engineering, and inspection services consultant is indeterminate, as the amount of any potentially shared savings is unknown.

#### VI. Technical Deficiencies:

None.

#### VII. Related Issues:

None.

#### VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 334.179, 337.11, 337.1101, 337.14, 337.168, and 338.223.

This bill creates section 334.180 of the Florida Statutes.

#### IX. Additional Information:

A. Committee Substitute – Statement of Substantial Changes: (Summarizing differences between the Committee Substitute and the prior version of the bill.)

#### CS by Transportation on February 21, 2023:

The committee substitute:

- Removes the language prohibiting the FDOT from annually committing more than 20 percent of specified revenues for public transit projects, and the language relating to progressive design-build contracting.
- Clarifies the provisions relating to aggregate certification and electronic tickets to improve readability and remove potential ambiguity.

#### B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

# LEGISLATIVE ACTION House Senate Comm: RCS 02/22/2023

The Committee on Transportation (Hooper) recommended the following:

#### Senate Amendment (with title amendment)

Delete everything after the enacting clause and insert:

Section 1. Section 334.179, Florida Statutes, is amended to read:

334.179 Department standards or specifications for permissible use of aggregates.-

(1) Notwithstanding any law, rule, or ordinance to the contrary, a local government may not adopt standards or

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specifications that are contrary to the department standards or specifications for permissible use of aggregates that have been certified for use. For purposes of this section, the term "certified for use" means that the aggregates have been certified by the producer in compliance accordance with department rules. This section does not apply to a multicounty independent special district created by a special act of the Legislature.

(2) A producer may not certify any shipment of aggregates to a customer other than the department unless such shipment is in compliance with department rules. Notwithstanding this section, producer certification of aggregates must be in accordance with rules adopted pursuant to s. 334.044(10).

Section 2. Present subsections (15) and (16) of section 337.11, Florida Statutes, are redesignated as subsections (18) and (19), respectively, and new subsections (15) and (16) and subsection (17) are added to that section, to read:

- 337.11 Contracting authority of department; bids; emergency repairs, supplemental agreements, and change orders; combined design and construction contracts; progress payments; records; requirements of vehicle registration.-
- (15) Each contract let by the department for performance of bridge construction or maintenance over navigable waters must contain a provision requiring marine general liability insurance, in an amount to be determined by the department, that covers third-party personal injury and property damage caused by vessels used by the contractor in the performance of the work.
- (16) The department shall implement strategies to reduce the cost of all project phases, including design, construction,

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and inspection, while ensuring that the design and construction of projects meet applicable federal and state standards, and shall track such strategies and the projected savings.

(17) The department may share with a design services consultant or a construction engineering and inspection services consultant a portion of the construction cost savings realized due to a change in the construction contract design and scope which is initiated after execution of the contract. Payments made under this subsection must be calculated taking into consideration the extent that the consultant's input and involvement contributed to such savings. The amount paid to a consultant pursuant to this subsection may not exceed 10 percent of the construction cost savings realized.

Section 3. Subsection (1) of section 337.1101, Florida Statutes, is amended to read:

337.1101 Contracting and procurement authority of the department; settlements; notification required.-

(1) When the department, or any entity or enterprise within the department, determines that it is in the best interest of the public to resolve a protest filed in accordance with s. 120.57(3) of the award of a contract being procured pursuant to s. 337.11 or related to the purchase of personal property or contractual services being procured pursuant to s. 287.057, through a settlement that requires the department to pay a nonselected responsive bidder a total sum of \$1 million or more, including any amount paid pursuant to s. 334.049, any amount paid pursuant to s. 337.11(8) which is not included in the department's work program approved by the Legislature as part of the General Appropriations Act, or any amount paid pursuant to

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any other law, the department must:

- (a) Document in a written memorandum by the secretary the specific reasons that such settlement and payment to a nonselected responsive bidder is in the best interest of the state. The written memorandum must be included and maintained in the department's permanent files concerning the procurement and must include:
- 1. A description of the property rights, patent rights, copyrights, trademarks, or the engineering design or other design work that the department will acquire or retain as a result of such settlement; and
- 2. The specific appropriation in the existing General Appropriations Act which the department intends to use to provide such payment.
- (b) Provide prior written notification to the President of the Senate, the Speaker of the House of Representatives, the Senate and House of Representatives minority leaders, the chair and vice chair of the Legislative Budget Commission, and the Attorney General at least 5 business days, or as soon thereafter as practicable, before the department makes the settlement agreement final. Such written notification must include the written memorandum required pursuant to paragraph (a).
- (c) Provide, at the time settlement discussions regarding any such payment have begun in earnest, written notification of such discussions to the President of the Senate, the Speaker of the House of Representatives, the Senate and House of Representatives minority leaders, the chair and vice chair of the Legislative Budget Commission, and the Attorney General.
  - Section 4. Subsections (1) and (4) of section 337.14,

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Florida Statutes, are amended to read:

337.14 Application for qualification; certificate of qualification; restrictions; request for hearing.-

(1) A Any contractor desiring to bid for the performance of any construction contract in excess of \$250,000 which the department proposes to let must first be certified by the department as qualified pursuant to this section and rules of the department. The rules of the department must address the qualification of contractors to bid on construction contracts in excess of \$250,000 and must include requirements with respect to the equipment, past record, experience, financial resources, and organizational personnel of the applying contractor which are necessary to perform the specific class of work for which the contractor seeks certification. Any contractor who desires to bid on contracts in excess of \$50 million and who is not qualified and in good standing with the department as of January 1, 2019, must first be certified by the department as qualified and must have satisfactorily completed two projects, each in excess of \$15 million, for the department or for any other state department of transportation. The department may limit the dollar amount of any contract upon which a contractor is qualified to bid or the aggregate total dollar volume of contracts such contractor is allowed to have under contract at any one time. Each applying contractor seeking qualification to bid on construction contracts in excess of \$250,000 shall furnish the department a statement under oath, on such forms as the department may prescribe, setting forth detailed information as required on the application. Each application for certification must be accompanied by audited, certified

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financial statements prepared in accordance with generally accepted accounting principles and auditing standards by a certified public accountant licensed in this state or another state. The audited, certified financial statements must be for the applying contractor and must have been prepared within the immediately preceding 12 months. The department may not consider any financial information of the parent entity of the applying contractor, if any. The department may not certify as qualified any applying contractor who fails to submit the audited, certified financial statements required by this subsection. If the application or the annual financial statement shows the financial condition of the applying contractor more than 4 months before the date on which the application is received by the department, the applicant must also submit interim audited, certified financial statements prepared in accordance with generally accepted accounting principles and auditing standards by a certified public accountant licensed in this state or another state. The interim financial statements must cover the period from the end date of the annual statement and must show the financial condition of the applying contractor no more than 4 months before the date that the interim financial statements are received by the department. However, upon the request of the applying contractor, an application and accompanying annual or interim financial statement received by the department within 15 days after either 4-month period under this subsection must shall be considered timely. An applying contractor desiring to bid exclusively for the performance of construction contracts with proposed budget estimates of less than \$2 \\$1 million may submit reviewed annual or reviewed interim financial statements

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prepared by a certified public accountant. The information required by this subsection is confidential and exempt from s. 119.07(1). The department shall act upon the application for qualification within 30 days after the department determines that the application is complete. The department may waive the requirements of this subsection for projects having a contract price of \$500,000 or less if the department determines that the project is of a noncritical nature and that the waiver will not endanger public health, safety, or property.

(4) If the applicant is found to possess the prescribed qualifications, the department must shall issue to him or her a certificate of qualification that, unless thereafter revoked by the department for good cause, will be valid for a period of 18 months after the date of the applicant's financial statement or such shorter period as the department prescribes. Submission of an application does and subsequent approval do not affect expiration of the certificate of qualification. An applicant may submit a written request with a timely submitted application to keep an existing certificate of qualification in place until the expiration date. If the request is approved by the department, the current maximum capacity rating of the applicant must remain in place until expiration of the current certificate of qualification, the ability factor of the applicant, or the maximum capacity rating of the applicant. If the department finds that an application is incomplete or contains inadequate information or information that cannot be verified, the department may request in writing that the applicant provide the necessary information to complete the application or provide the source from which any information in the application may be

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verified. If the applicant fails to comply with the initial written request within a reasonable period of time as specified therein, the department must <del>shall</del> request the information a second time. If the applicant fails to comply with the second request within a reasonable period of time as specified therein, the application must shall be denied.

Section 5. Section 337.168, Florida Statutes, is amended to read:

- 337.168 Confidentiality of official estimates, identities of potential bidders, and the bid analysis, and monitoring system.-
- (1) A document or electronic file revealing the official cost estimate of the department of a project is confidential and exempt from the provisions of s. 119.07(1) until the contract for the project has been executed or until the project is no longer under active consideration.
- (2) A document that reveals the identity of a person who has requested or obtained a bid package, plan, or specifications pertaining to any project to be let by the department is confidential and exempt from the provisions of s. 119.07(1) for the period that begins 2 working days before the deadline for obtaining bid packages, plans, or specifications and ends with the letting of the bid. A document that reveals the identity of a person who has requested or obtained a bid package, plan, or specifications pertaining to any project to be let by the department before the 2 working days before the deadline for obtaining bid packages, plans, or specifications remains a public record subject to s. 119.07(1).
  - (3) The bid analysis and monitoring system of the

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department is confidential and exempt from the provisions of s. 119.07(1). This exemption applies to all system documentation, input, computer processes and programs, electronic data files, and output, but does not apply to the actual source documents, unless otherwise exempted under other provisions of law.

Section 6. Paragraph (a) of subsection (1) of section 338.223, Florida Statutes, is amended to read:

338.223 Proposed turnpike projects.-

(1) (a) Any proposed project to be constructed or acquired as part of the turnpike system and any turnpike improvement must shall be included in the tentative work program. A proposed project or group of proposed projects may not be added to the turnpike system unless such project or projects are determined to be economically feasible and a statement of environmental feasibility has been completed for such project or projects and such projects are determined to be consistent, to the maximum extent feasible, with approved local government comprehensive plans of the local governments in which such projects are located. The department may authorize engineering studies, traffic studies, environmental studies, and other expert studies of the location, costs, economic feasibility, and practicality of proposed turnpike projects throughout this the state and may proceed with the design phase of such projects. The department may not request legislative approval of a proposed turnpike project until the design phase of that project is at least 30 percent complete. If a proposed project or group of proposed projects is found to be economically feasible, consistent, to the maximum extent feasible, with approved local government comprehensive plans of the local governments in which such



projects are located, and a favorable statement of environmental feasibility has been completed, the department, with the approval of the Legislature, must shall, after the receipt of all necessary permits, construct, maintain, and operate such turnpike projects.

Section 7. Section 334.180, Florida Statutes, is created to read:

334.180 Department electronic tickets.—An electronic ticket generated by a system used by the department serves as an official record for material deliveries on local government projects. Notwithstanding any law, rule, or ordinance to the contrary, a local government may not refuse to accept such electronic ticket.

Section 8. This act shall take effect July 1, 2023.

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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 everything before the enacting clause and insert:

A bill to be entitled

An act relating to the Department of Transportation; amending s. 334.179, F.S.; revising the definition of the term "certified for use" in regard to permissible use of aggregates; prohibiting a producer from certifying shipments of aggregates which are not in compliance with department rules; requiring a producer to certify aggregates in accordance with specified rules; amending s. 337.11, F.S.; requiring that contracts let by the department for performance of

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bridge construction or maintenance over navigable waters contain certain insurance requirements; requiring the department to implement and track strategies to reduce the cost of projects while ensuring that such projects meet federal and state standards; authorizing the department to share a portion of cost savings with certain consultants under specified circumstances; providing that payments to consultants may not exceed a specified amount; amending s. 337.1101, F.S.; revising the calculation of a certain settlement paid to a nonselected responsive bidder which requires the department to maintain certain records and provide certain notices to the Legislature and the Attorney General; amending s. 337.14, F.S.; increasing the proposed budget estimates of construction contracts for which an applying contractor may submit certain financial statements; revising procedures relating to certificates of qualification issued by the department to construction contractors seeking certification to bid on certain contracts; amending s. 337.168, F.S.; deleting a public records exemption for certain documents that reveal the identity of a potential bidder; amending s. 338.223, F.S.; deleting a requirement regarding the department's request for legislative approval of proposed turnpike projects; creating s. 334.180, F.S.; specifying that an electronic ticket generated by a system used by the department serves as a certain official record;



301	prohibiting loc	al governments	from re	fusing to	accept
302	such electronic	tickets; prov	iding an	effective	date.

By Senator Hooper

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A bill to be entitled An act relating to the Department of Transportation; amending s. 206.46, F.S.; requiring that no more than 20 percent of revenues derived from certain taxes and fees and deposited into the State Transportation Trust Fund be committed annually by the department for public transit projects; amending s. 334.179, F.S.; revising the definition of the term "certified for use" in regard to permissible use of aggregates; prohibiting a producer from certifying shipments of aggregates which are not in compliance with department rules; requiring the department to certify aggregates in accordance with specified rules; amending s. 337.025, F.S.; authorizing the department to include progressive design-build contracts in its program for innovative transportation; authorizing the department to enter into a progressive design-build contract if it makes a certain determination; providing requirements for progressive design-build contracts; revising the exemption from a specified annual monetary cap on certain contracts; amending s. 337.11, F.S.; revising the department's authority relating to design-build contracts; requiring the department to adopt procedures for administering progressive designbuild contracts; requiring that contracts let by the department for performance of bridge construction or maintenance over navigable waters contain certain insurance requirements; requiring the department to implement and track strategies to reduce the cost of

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 ${f CODING:}$  Words  ${f stricken}$  are deletions; words  ${f underlined}$  are additions.

Florida Senate - 2023 SB 64

21-00297A-23 202364 30 projects while ensuring such projects meet federal and 31 state standards; authorizing the department to share a 32 portion of cost savings with certain consultants under 33 specified circumstances; providing that payment to 34 consultants may not exceed a specified amount; 35 amending s. 337.1101, F.S.; revising the calculation 36 of a certain settlement paid to a nonselected 37 responsive bidder which requires the department to 38 maintain certain records and provide certain notices 39 to the Legislature and the Attorney General; amending 40 s. 337.14, F.S.; revising the dollar limit of proposed 41 budget estimates of construction contracts for which 42 an applying contractor may submit certain financial 4.3 statements; revising procedures relating to certificates of qualification issued by the department to construction contractors seeking certification to 45 46 bid on certain contracts; exempting progressive 47 design-build pregualifications from a certain 48 restriction on contractors and their affiliates; 49 amending s. 337.168, F.S.; deleting a public records 50 exemption for certain documents that reveal the 51 identity of a potential bidder; amending s. 338.223, 52 F.S.; deleting a specified timeframe required for the 53 department's request for legislative approval of 54 proposed turnpike projects; creating s. 334.180, F.S.; 55 prohibiting local governments from refusing to accept 56 electronic tickets approved by the department for use 57 as official records for material deliveries on local government projects; providing an effective date. 58

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

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Section 1. Subsection (6) is added to section 206.46. Florida Statutes, to read:

206.46 State Transportation Trust Fund.-

(6) The department may not annually commit to public transit projects in accordance with chapter 341 more than 20 percent of the revenues derived from state fuel taxes and motor vehicle license-related fees deposited into the State Transportation Trust Fund.

Section 2. Section 334.179, Florida Statutes, is amended to read:

334.179 Department standards or specifications for permissible use of aggregates .-

- (1) Notwithstanding any law, rule, or ordinance to the contrary, a local government may not adopt standards or specifications that are contrary to the department standards or specifications for permissible use of aggregates that have been certified for use. For purposes of this section, the term "certified for use" means that the aggregates have been certified by the producer in compliance accordance with department rules. This section does not apply to a multicounty independent special district created by a special act of the Legislature.
- (2) A producer may not certify any shipment of aggregates to a non-department customer unless such shipment is in compliance with department rules. Notwithstanding the provisions of this section, the department shall certify aggregates in

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CODING: Words stricken are deletions; words underlined are additions.

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accordance with rules adopted pursuant to s. 334.044(10).

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Section 3. Section 337.025, Florida Statutes, is amended to read:

337.025 Innovative transportation projects; department to establish program .-

93 (1) The department may establish a program for transportation projects demonstrating innovative techniques of highway and bridge design, construction, maintenance, and finance which have the intended effect of measuring resiliency 96 and structural integrity and controlling time and cost increases on construction projects. Such techniques may include, but are not limited to, state-of-the-art technology for pavement, safety, and other aspects of highway and bridge design, 100 101 construction, and maintenance; innovative bidding and financing techniques; progressive design-build contracts as specified in subsection (2); accelerated construction procedures; and those 103 104 techniques that have the potential to reduce project life cycle 105 costs. To the maximum extent practical, the department must use the existing process to award and administer construction and 107 maintenance contracts. When specific innovative techniques are 108 to be used, the department is not required to adhere to those provisions of law that would prevent, preclude, or in any way 110 prohibit the department from using the innovative technique. 111 However, before using an innovative technique that is 112 inconsistent with another provision of law, the department must 113 document in writing the need for the exception and identify the 114 what benefits the traveling public and the affected community 115 are anticipated to receive. The department may enter into no more than \$120 million in contracts awarded annually for the 116

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117 purposes authorized by this section.

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- (2) If the department determines that it is in the best interests of the public, the department may combine the design and construction phases of a project into a single contract and select the design-build firm in the early stages of a project to ensure that the design-build firm is part of the collaboration and development of the design and step-by-step progression through construction. Such contract is referred to as a progressive design-build contract. For progressive design-build contracts, the selection and award processes must include a twophase process. For phase one, the department shall competitively award the contract to a design-build firm based upon the firm's qualifications. For phase two, the design-build firm must solicit and receive competitive bids on all construction trade subcontractor packages and, based upon these bids, negotiate with the department a fixed firm price or quaranteed maximum price that meets the project budget and scope as advertised in the department's request for qualifications.
- $\underline{\mbox{(3)}}$  The annual cap on contracts provided in subsection (1) does not apply to:
  - (a) Turnpike enterprise projects.
- (b) Progressive design-build contracts for complex, highrisk projects with a minimum contract value of \$400 million Lowbid design build milling and resurfacing contracts.

Section 4. Present subsections (15) and (16) of section 337.11, Florida Statutes, are redesignated as subsections (18) and (19), respectively, new subsections (15) and (16) and subsection (17) are added to that section, and paragraphs (a) and (b) of subsection (7) of that section are amended, to read:

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CODING: Words stricken are deletions; words underlined are additions.

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21-00297A-23 202364 146 337.11 Contracting authority of department; bids; emergency repairs, supplemental agreements, and change orders; combined 147 148 design and construction contracts; progress payments; records; requirements of vehicle registration.-149 150 (7) (a) If the department determines that it is in the best 151 interests of the public, the department may combine the design 152 and construction phases of a building, a major bridge 153 access facility, or a rail corridor project into a single 154 contract. Such contract is referred to as a design-build 155 contract. Design-build contracts may be advertised and awarded 156 notwithstanding the requirements of paragraph (3)(c). However, 157 construction activities may not begin on any portion of such 158 projects for which the department has not yet obtained title to the necessary rights-of-way and easements for the construction 159 160 of that portion of the project has vested in the state or a 161 local governmental entity and all railroad crossing and utility 162 agreements have been executed. Title to rights-of-way is shall 163 be deemed to have vested in the state when the title has been 164 dedicated to the public or acquired by prescription. 165 (b) The department shall adopt by rule procedures for 166 administering design-build contracts, including progressive design-build contracts. Such procedures shall include, but are 167 168 not be limited to: 169 1. Prequalification requirements. 170 2. Public announcement procedures. 171 3. Scope of service requirements. 172 4. Letters of interest requirements.

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5. Short-listing criteria and procedures.

6. Bid proposal requirements.

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- 7. Technical review committee.
- 8. Selection and award processes.
- 9. Stipend requirements.

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- (15) Each contract let by the department for performance of bridge construction or maintenance over navigable waters must contain a provision requiring marine general liability insurance, in an amount to be determined by the department, which covers third-party personal injury and property damage caused by vessels used by the contractor in the performance of the work.
- (16) The department shall implement strategies to reduce the cost of all project phases, including design, construction, and inspection, while ensuring that the design and construction of projects meet applicable federal and state standards, and shall track such strategies and the projected savings.
- (17) The department may share a portion of the construction cost savings realized due to a change in the construction contract design and scope, initiated after execution of the contract, with a design services consultant or a construction engineering and inspection services consultant in accordance with the extent that the consultant's input and involvement contributed to such savings. The amount paid to a consultant pursuant to this subsection may not exceed 10 percent of the construction cost savings realized.

Section 5. Subsection (1) of section 337.1101, Florida Statutes, is amended to read:

337.1101 Contracting and procurement authority of the department; settlements; notification required.—

(1) When the department, or any entity or enterprise within

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204 the department, determines that it is in the best interest of the public to resolve a protest filed in accordance with s. 205 206 120.57(3) of the award of a contract being procured pursuant to s. 337.11 or related to the purchase of personal property or 207 208 contractual services being procured pursuant to s. 287.057, through a settlement that requires the department to pay a 209 210 nonselected responsive bidder a total sum of \$1 million or more, including any amount paid pursuant to s. 334.049, any amount 211 212 paid pursuant to s. 337.11(8) which is not included in the 213 department's work program approved by the Legislature as part of 214 the General Appropriations Act, or any amount paid pursuant to any other law, the department must: 216

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- (a) Document in a written memorandum by the secretary the specific reasons that such settlement and payment to a nonselected responsive bidder is in the best interest of the state. The written memorandum must be included and maintained in the department's permanent files concerning the procurement and must include:
- 1. A description of the property rights, patent rights, copyrights, trademarks, or the engineering design or other design work that the department will acquire or retain as a result of such settlement; and
- 2. The specific appropriation in the existing General Appropriations Act which the department intends to use to provide such payment.
- 229 (b) Provide prior written notification to the President of 230 the Senate, the Speaker of the House of Representatives, the 231 Senate and House of Representatives minority leaders, the chair 232 and vice chair of the Legislative Budget Commission, and the

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Attorney General at least 5 business days, or as soon thereafter as practicable, before the department makes the settlement agreement final. Such written notification must include the written memorandum required pursuant to paragraph (a).

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(c) Provide, at the time settlement discussions regarding any such payment have begun in earnest, written notification of such discussions to the President of the Senate, the Speaker of the House of Representatives, the Senate and House of Representatives minority leaders, the chair and vice chair of the Legislative Budget Commission, and the Attorney General.

Section 6. Subsections (1), (4), and (7) of section 337.14, Florida Statutes, are amended to read:

337.14 Application for qualification; certificate of qualification; restrictions; request for hearing.—

(1)  $\underline{A}$   $\underline{Any}$  contractor desiring to bid for the performance of any construction contract in excess of \$250,000 which the department proposes to let must first be certified by the department as qualified pursuant to this section and rules of the department. The rules of the department must address the qualification of contractors to bid on construction contracts in excess of \$250,000 and must include requirements with respect to the equipment, past record, experience, financial resources, and organizational personnel of the applying contractor which are necessary to perform the specific class of work for which the contractor seeks certification. Any contractor who desires to bid on contracts in excess of \$50 million and who is not qualified and in good standing with the department as of January 1, 2019, must first be certified by the department as qualified and must have satisfactorily completed two projects, each in

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Florida Senate - 2023 SB 64

21-00297A-23 202364 262 excess of \$15 million, for the department or for any other state 263 department of transportation. The department may limit the dollar amount of any contract upon which a contractor is 264 qualified to bid or the aggregate total dollar volume of 265 266 contracts such contractor is allowed to have under contract at any one time. Each applying contractor seeking qualification to 267 bid on construction contracts in excess of \$250,000 shall furnish the department a statement under oath, on such forms as 270 the department may prescribe, setting forth detailed information 271 as required on the application. Each application for 272 certification must be accompanied by audited, certified 273 financial statements prepared in accordance with generally accepted accounting principles and auditing standards by a 274 275 certified public accountant licensed in this state or another state. The audited, certified financial statements must be for 277 the applying contractor and must have been prepared within the 278 immediately preceding 12 months. The department may not consider 279 any financial information of the parent entity of the applying contractor, if any. The department may not certify as qualified 281 any applying contractor who fails to submit the audited, 282 certified financial statements required by this subsection. If the application or the annual financial statement shows the 284 financial condition of the applying contractor more than 4 285 months before the date on which the application is received by the department, the applicant must also submit interim audited, 286 certified financial statements prepared in accordance with 288 generally accepted accounting principles and auditing standards 289 by a certified public accountant licensed in this state or another state. The interim financial statements must cover the

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period from the end date of the annual statement and must show the financial condition of the applying contractor no more than 4 months before the date that the interim financial statements are received by the department. However, upon the request of the applying contractor, an application and accompanying annual or interim financial statement received by the department within 15 days after either 4-month period under this subsection shall be considered timely. An applying contractor desiring to bid exclusively for the performance of construction contracts with proposed budget estimates of less than \$2 \$\frac{\pmathbf{x}}{2}\$ million may submit reviewed annual or reviewed interim financial statements prepared by a certified public accountant. The information required by this subsection is confidential and exempt from s. 119.07(1). The department shall act upon the application for qualification within 30 days after the department determines that the application is complete. The department may waive the requirements of this subsection for projects having a contract price of \$500,000 or less if the department determines that the project is of a noncritical nature and that the waiver will not endanger public health, safety, or property.

(4) If the applicant is found to possess the prescribed qualifications, the department <u>must</u> <u>shall</u> issue to him or her a certificate of qualification that, unless thereafter revoked by the department for good cause, will be valid for a period of 18 months after the date of the applicant's financial statement or such shorter period as the department prescribes. Submission of an application <u>does</u> and subsequent approval do not affect expiration of the certificate of qualification, the ability factor of the applicant, or the maximum capacity rating of the

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320 applicant. An applicant may submit a written request with a 321 timely submitted application to keep an existing certificate of 322 qualification in place until the expiration date. If the request 323 is approved by the department, the current maximum capacity 324 rating of the applicant must remain in place until expiration of 325 the current certificate of qualification. If the department 326 finds that an application is incomplete or contains inadequate information or information that cannot be verified, the 328 department may request in writing that the applicant provide the 329 necessary information to complete the application or provide the 330 source from which any information in the application may be 331 verified. If the applicant fails to comply with the initial written request within a reasonable period of time as specified 332 333 therein, the department must shall request the information a second time. If the applicant fails to comply with the second 335 request within a reasonable period of time as specified therein, 336 the application must shall be denied.

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(7) A "contractor" as defined in s. 337.165(1)(d) or his or her "affiliate" as defined in s. 337.165(1)(a) qualified with the department under this section may not also qualify under s. 287.055 or s. 337.105 to provide testing services, construction, engineering, and inspection services to the department. This limitation does not apply to any design-build, including progressive design-build, prequalification under s. 337.11(7) and does not apply when the department otherwise determines by written order entered at least 30 days before advertisement that the limitation is not in the best interests of the public with respect to a particular contract for testing services, construction, engineering, and inspection services. This

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read:

subsection does not authorize a contractor to provide testing services, or provide construction, engineering, and inspection services, to the department in connection with a construction contract under which the contractor is performing any work.

Notwithstanding any other provision of law to the contrary, for a project that is wholly or partially funded by the department and administered by a local governmental entity, except for a seaport listed in s. 311.09 or an airport as defined in s. 332.004, the entity performing design and construction engineering and inspection services may not be the same entity.

Section 7. Section 337.168, Florida Statutes, is amended to

337.168 Confidentiality of official estimates, identities of potential bidders, and bid analysis and monitoring system.—

- (1) A document or electronic file revealing the official cost estimate of the department of a project is confidential and exempt from the provisions of s. 119.07(1) until the contract for the project has been executed or until the project is no longer under active consideration.
- (2) A document that reveals the identity of a person who has requested or obtained a bid package, plan, or specifications pertaining to any project to be let by the department is confidential and exempt from the provisions of s. 119.07(1) for the period that begins 2 working days before the deadline for obtaining bid packages, plans, or specifications and ends with the letting of the bid. A document that reveals the identity of a person who has requested or obtained a bid package, plan, or specifications pertaining to any project to be let by the department before the 2 working days before the deadline for

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obtaining bid packages, plans, or specifications remains a

379 public record subject to s. 119.07(1).

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(3) The bid analysis and monitoring system of the department is confidential and exempt from the provisions of s. 119.07(1). This exemption applies to all system documentation, input, computer processes and programs, electronic data files, and output, but does not apply to the actual source documents, unless otherwise exempted under other provisions of law.

Section 8. Paragraph (a) of subsection (1) of section 338.223, Florida Statutes, is amended to read:

338.223 Proposed turnpike projects.-

(1) (a) Any proposed project to be constructed or acquired as part of the turnpike system and any turnpike improvement must shall be included in the tentative work program. A proposed project or group of proposed projects may not be added to the turnpike system unless such project or projects are determined to be economically feasible and a statement of environmental feasibility has been completed for such project or projects and such projects are determined to be consistent, to the maximum extent feasible, with approved local government comprehensive plans of the local governments in which such projects are located. The department may authorize engineering studies, traffic studies, environmental studies, and other expert studies of the location, costs, economic feasibility, and practicality of proposed turnpike projects throughout this the state and may proceed with the design phase of such projects. The department may not request legislative approval of a proposed turnpike project until the design phase of that project is at least 30 percent complete. If a proposed project or group of proposed

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202364

407 projects is found to be economically feasible, consistent, to 408 the maximum extent feasible, with approved local government 409 comprehensive plans of the local governments in which such 410 projects are located, and a favorable statement of environmental 411 feasibility has been completed, the department, with the 412 approval of the Legislature, shall, after the receipt of all 413 necessary permits, construct, maintain, and operate such 414 turnpike projects. 415 Section 9. Section 334.180, Florida Statutes, is created to 416 read: 417 334.180 Department electronic tickets.—Notwithstanding any 418 law, rule, or ordinance to the contrary, a local government may 419 not refuse to accept electronic tickets approved by the 420 department for use on department projects as an official record 421 for material deliveries on local government projects. 422 Section 10. This act shall take effect July 1, 2023.

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#### The Florida Senate

### APPEARANCE RECORD

64	-
Bill Num	ber or Topic

		Deliver both copies of tr Senate professional staff conduc		
Name	Anauth Pra	Sad	Phone	Amendment Barcode (if applicable)
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		PLEASE CHECK ONE OF TH	HE FOLLOWIN	G:
	n appearing without npensation or sponsorship.	I am a registered lobbyist, representing:		I am not a lobbyist, but received something of value for my appearance (travel, meals, lodging, etc.), sponsored by:

While it is a tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this hearing. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard. If you have questions about registering to lobby please see Fla. Stat. §11.045 and Joint Rule 1. 2020-2022 Joint Rules and If you have questions about registering to lobby please see Fla.

This form is part of the public record for this meeting.

S-001 (08/10/2021)

## 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 B	y: The Professional Sta	iff of the Committe	e on Transport	ation	
BILL:	CS/SB 370	CS/SB 370				
INTRODUCER:	Transportation	Committee and Sens	ator Brodeur			
SUBJECT:	Electronic Mot	or Vehicle Registrat	ion Certificates			
DATE:	February 21, 20	)23 REVISED:				
ANAL	YST	STAFF DIRECTOR	REFERENCE		ACTION	
. Jones	V	rickers	TR	Fav/CS		
·•			ATD			
•			FP			
	Diagram	ee Section IX. f	A 1 1141		4.	

**COMMITTEE SUBSTITUTE - Technical Changes** 

#### I. Summary:

CS/SB 370 authorizes acceptance of an *electronic* certificate of motor vehicle registration as documentation required to be in the possession of a motor vehicle's operator or carried in the vehicle while the vehicle is being operated on the roads of this state. The bill provides that displaying an electronic registration certificate does not constitute consent for an officer or agent to access any other information on the electronic device, and the person who presents the device assumes liability for any resulting damage to the device.

The bill takes effect January 1, 2024.

#### II. Present Situation:

#### **Motor Vehicle Registration Requirements**

Except as otherwise provided in ch. 320, F.S., every owner or person in charge of a motor vehicle operated or driven on the roads of Florida must register the vehicle in this state. The owner or person in charge must apply to the DHSMV or to its authorized agent for registration of each such vehicle on a form prescribed by the DHSMV. Vehicles with out-of-state registrations are required by law to be registered within 10 days of the owner either becoming employed,

BILL: CS/SB 370 Page 2

placing children in public school, or establishing residency in Florida. Most motor vehicles have a registration period of 12 or 24 months during which the registration is valid. 2

A complete registration consists of the following and is evidence of having paid the registration taxes and fees:

- A license plate attached to the vehicle in the designated area;<sup>3</sup>
- A registration certificate in the possession of the operator of the motor vehicle or carried in the vehicle at all times;<sup>4</sup> and
- A registration decal, which is a sticker provided on the registration certificate. The validation decal should be affixed in the upper right-hand corner of the Florida license plate.<sup>5</sup>

#### **Proof of Motor Vehicle Registration**

The registration certificate or an official copy, a true copy or electronic copy of rental or lease documentation issued for a motor vehicle or issued for a replacement vehicle in the same registration period, a temporary receipt printed upon self-initiated electronic renewal of a registration via the Internet, or a cab card issued for a vehicle registered under the International Registration Plan must, at all times while the vehicle is being used or operated on the roads of this state, be in the possession of the operator of the vehicle or be carried in the vehicle for which it was issued.<sup>6</sup>

Such documentation must be exhibited upon demand of any authorized law enforcement officer or agent of the DHSMV, except for a vehicle registered under s. 320.0657, F.S., as a fleet vehicle. This does not apply during the first 30 days after purchase of a replacement vehicle. A violation is a noncriminal traffic infraction, punishable as a nonmoving violation as provided in ch. 318, F.S.

The law provides that presenting an electronic device displaying an electronic copy of rental or lease documentation does not constitute consent for the officer or agent to access any other information on the device, and the person who presents the device to the officer or agent assumes liability for any resulting damage to the device.<sup>7</sup>

#### **Electronic Registration Certificate**

Section 322.032, F.S, required DHSMV to establish a secure and uniform system for issuing an optional digital proof of driver license or identification card, and authorized the DHSMV to contract with private entities to develop an electronic credentialing system. "Electronic credentialing system" is defined as a computer system accessed by personal device that queries

<sup>&</sup>lt;sup>1</sup> DHSMV, *License Plates & Registrations – Motor Vehicle Registrations*, <a href="https://www.flhsmv.gov/motor-vehicles-tags-titles/license-plates-registration/motor-vehicle-registrations/">https://www.flhsmv.gov/motor-vehicles-tags-titles/license-plates-registration/motor-vehicle-registrations/</a> (last visited February 13, 2023).

<sup>&</sup>lt;sup>2</sup> Section 320.01(19)(a.), F.S.

<sup>&</sup>lt;sup>3</sup> Section 316.605, F.S.

<sup>&</sup>lt;sup>4</sup> Section 320.0605, F.S.

<sup>&</sup>lt;sup>5</sup> Section 320.06(1)(b), F.S.

<sup>&</sup>lt;sup>6</sup> Section 320.0605(1)(a), F.S.

<sup>&</sup>lt;sup>7</sup> Section 320.0605(1)(b), F.S.

BILL: CS/SB 370 Page 3

the DHSMV's driver license and identification card records, displays or transmits digital proof of driver license or identification card, and verifies the authenticity of those electronic credentials.<sup>8</sup>

Based on these requirements, the DHSMV has created the Florida Smart ID. The Florida Smart ID is functioning and available in the Apple App Store and Google Play Store. According to the DHSMV, as of October 31, 2022, 57,000 Floridians have downloaded and activated their Florida Smart ID.<sup>9</sup>

In 2022, a Florida law was adopted requiring the DHSMV's electronic credentialing system also display driver vehicle registration and insurance information by July 1, 2023.<sup>10</sup>

#### III. Effect of Proposed Changes:

The bill amends s. 320.0605, F.S., authorizing a law enforcement officer or agent of the DHSMV to accept an electronic certificate of motor vehicle registration as required documentation that must be in the possession of the vehicle's operator or carried in the vehicle at all times while the vehicle is being operated on the roads of this state. The electronic registration certificate must be in a uniform format prescribed by the DHSMV.

The bill also provides that displaying an electronic copy of the registration certificate does not constitute consent for the officer or agent to access any other information on the device, and the person who presents the device to the officer or agent assumes liability for any resulting damage to the device.

The bill takes effect January 1, 2024.

#### IV. Constitutional Issues:

A.	Municipality/County Mandates Restrictions:

B. Public Records/Open Meetings Issues:

None.

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

<sup>&</sup>lt;sup>8</sup> Section 322.032(1)(c), F.S.

<sup>&</sup>lt;sup>9</sup> Letter to the Chairs of the Joint Legislative Budget Commission from Terry L. Rhodes, Executive Director, DHSMV, (October 31, 2022).

<sup>&</sup>lt;sup>10</sup> Chapter 2022-169, Laws of Fla. creating s. 324.252, F.S.

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E.	Constitutional	

None Identified.

#### V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

DHSMV was provided a nonrecurring sum of \$1,413,270 in Fiscal Year 2022-2023 to implement the electronic insurance verification provisions required under s. 324.252, F.S., which also requires the electronic display of driver vehicle registration.

#### VI. Technical Deficiencies:

None.

#### VII. Related Issues:

None.

#### VIII. Statutes Affected:

This bill substantially amends section 320.0605 of the Florida Statutes.

#### IX. Additional Information:

#### A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

#### CS by Transportation on February 21, 2023:

The committee substitute clarifies that an officer or agent of the DHSMV may not access information on an electronic device other than the displayed registration certificate when provided.

#### B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.



	LEGISLATIVE ACTION	
Senate	•	House
Comm: RCS		
02/22/2023		
	•	
	•	
	•	

The Committee on Transportation (Brodeur) recommended the following:

#### Senate Amendment

3 Delete line 42

4 and insert:

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displayed registration certificate or rental or lease

documentation.

By Senator Brodeur

10-00722-23 2023370 A bill to be entitled

registration certificates; amending s. 320.0605, F.S.; authorizing a uniform paper or electronic format of the registration certificate for a motor vehicle; prohibiting an officer or agent from accessing certain

An act relating to electronic motor vehicle

information upon presentation of an electronic registration certificate on an electronic device;

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for which such documentation was issued at all times while the vehicle is being used or operated on the roads of this state and

making technical changes; providing an effective date. Be It Enacted by the Legislature of the State of Florida: Section 1. Section 320.0605, Florida Statutes, is amended 320.0605 Certificate of registration and other documents; possession required; exception .-(1) (a) The registration certificate in a uniform paper or electronic format, as prescribed by the department, or an official copy thereof; $\tau$  a true copy or an electronic copy of rental or lease documentation issued for a motor vehicle or issued for a replacement vehicle in the same registration period; r a temporary receipt printed upon self-initiated electronic renewal of a registration via the Internet; $_{\mathcal{T}}$  or a cab card issued for a vehicle registered under the International Registration Plan must shall, at all times while the vehicle is being used or operated on the roads of this state, be in the possession of the operator thereof or be carried in the vehicle

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Florida Senate - 2023 SB 370

	10-00722-23 2023370	
30	<u>must</u> shall be exhibited upon demand of any authorized law	
31	enforcement officer or any agent of the department, except for a	
32	vehicle registered under s. 320.0657. This <u>subsection</u> <del>section</del>	
33	does not apply during the first 30 days after purchase of a	
34	replacement vehicle. A violation of this <u>subsection</u> section is a	
35	noncriminal traffic infraction, punishable as a nonmoving	
36	violation as provided in chapter 318.	
37	(b) 1. The act of presenting to a law enforcement officer of	
38	agent of the department an electronic device displaying an	
39	electronic registration certificate or a copy of rental or lease	
40	documentation does not constitute consent for the officer or	
41	agent to access any information on the device other than the	
42	displayed rental or lease documentation.	
43	2. The person who presents the device to the officer or	
44	agent assumes the liability for any resulting damage to the	
45	device.	
46	(2) Rental or lease documentation that is sufficient to	
47	satisfy the requirement in subsection (1) includes the	
48	following:	
49	<ul><li>(a) Date and time of rental;</li></ul>	
50	(b) Rental agreement number;	
51	(c) Rental vehicle identification number;	
52	(d) Rental vehicle license plate number and state of	
53	registration;	
54	<pre>(e) Vehicle's make, model, and color;</pre>	
55	(f) Vehicle's mileage; and	
56	(g) Authorized renter's name.	
57	Section 2. This act shall take effect January 1, 2024.	

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#### THE FLORIDA SENATE



Tallahassee, Florida 32399-1100

#### COMMITTEES:

Appropriations Committee on Agriculture, Environment, and General Government, Chair Health Policy, Vice Chair Appropriations
Appropriations Committee on Health and Human Services
Children, Families, and Elder Affairs
Community Affairs
Regulated Industries

JOINT COMMITTEE:

Joint Legislative Auditing Committee

#### **SENATOR JASON BRODEUR**

10th District

February 13, 2023

The Honorable Nick DiCeglie Chair, Committee on Transportation 310 Senate Building 404 South Monroe Street Tallahassee, FL 32399-1100

Dear Chair DiCeglie,

I respectfully request that **Senate Bill 370**, **Electronic Motor Vehicle Registration Certificates**, be placed on the agenda of the Transportation Committee meeting to be considered at your earliest convenience.

If you have any questions or concerns, please do not hesitate to reach out to me or my office.

Sincerely,

Senator Jason Brodeur – District 10

CC: Rob Vickers – Staff Director

Marilyn Hudson – Administrative Assistant

REPLY TO:

□ 110 Timberlachen Circle, Suite 1012, Lake Mary, Florida 32746 (407) 333-1802

□ 405 Senate Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5010

Senate's Website: www.flsenate.gov

### CourtSmart Tag Report

Room: SB 110 Case No.: Type: Caption: Senate Committee on Transportation Judge:

Started: 2/21/2023 9:30:45 AM

Ends: 2/21/2023 9:47:03 AM Length: 00:16:19

9:30:44 AM Chair calls meeting to order

9:30:49 AM Roll Call

9:31:05 AM Quorum present9:31:10 AM Pledge of Allegiance

9:31:34 AM Chair makes opening remarks

**9:31:51 AM** Tab 2 - SB 370

9:32:00 AM Senator Brodeur explains bill

9:32:52 AM No questions

9:32:55 AM Amendment 608268

9:33:11 AM Senator Brodeur explains amendment

9:33:34 AM

9:33:35 AM No questions

9:33:41 AM No appearance cards

9:33:42 AM No debate

9:33:45 AM Senator Brodeur waives to close

9:33:49 AM Amendment adopted 9:33:53 AM Back on bill as amended

9:33:58 AM No questions on the bill as amended

9:33:59 AM No appearance cards

9:34:05 AM No debate

9:34:21 AM Senator Brodeur closes on bill

**9:34:28 AM** Roll call

**9:34:31 AM** Bill passes; reported favorably

9:34:46 AM Tab 1 - SB 64

9:35:03 AM Senator Hooper explains bill

**9:35:13 AM** Amendment 337318

9:35:58 AM Senator Hooper explains amendment

9:37:30 AM No questions

9:38:32 AM No appearance cards

9:38:35 AM No debate

9:38:41 AM Senator Hooper waives close

9:38:46 AM Amendment adopted Back on bill as amended

9:39:04 AM Questions: 9:39:07 AM Senator Davis 9:39:14 AM Senator Hooper 9:39:22 AM Senator Davis

9:39:32 AM Senator Hooper 9:39:39 AM Senator Davis

9:39:43 AM Senator Hooper 9:39:52 AM Senator Davis

9:40:02 AM Senator Hooper 9:40:17 AM Senator Davis

9:40:48 AM Senator Hooper

9:42:03 AM Senator Davis 9:42:21 AM Senator Hooper

9:42:30 AM Senator Davis 9:42:35 AM Senator Hooper

9:43:11 AM Ananth Prasad asked for information

9:43:51 AMSenator Davis9:44:01 AMAnanth Prasad9:44:17 AMSenator Davis

9:44:27 AM	Senator Hooper
9:44:45 AM	Ananth Prasad
9:44:48 AM	Senator Davis
9:45:26 AM	Ananth Prasad
9:45:43 AM	Senator Davis
9:45:49 AM	Ananth Prasad
9:45:52 AM	Senator DiCeglie
9:45:57 AM	No appearance cards
9:46:01 AM	No debate
9:46:07 AM	Senator Hooper waives close
9:46:10 AM	Roll Call
9:46:17 AM	Bill passes; reported favorably
9:46:42 AM	Senator Burton moves to adjourn
9:46:53 AM	With no objection, meeting adjourned



# THE FLORIDA SENATE SENATOR JASON W.B. PIZZO

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### COMMITTEE MEMBERSHIP:

Joint Legislative Auditing, *Chair* 

Appropriations

Appropriations Committee on Criminal & Civil Justice

Community Affairs

Criminal Justice

Finance & Tax

Military & Veterans Affairs, Space, and Domestic Security

Resiliency

#### KATHLEEN PASSIDOMO

President of the Senate

DENNIS BAXLEY

President Pro Tempore

February 21, 2023

The Honorable Nick DiCeglie, Chair Committee on Transportation 310 Senate Building 404 South Monroe Street Tallahassee, FL 32399

Dear Chair DiCeglie,

Please excuse my absence from the Senate Committee on Transportation on February 21<sup>th</sup>, 2023.

Sincerely,

Jason W.B. Pizzo