Selection From: 03/24/2021 - Transportation (8:30 AM - 11:00 AM) Customized

Agenda Order

Tab 1	SB 754	4 by <b>Di</b> a	z; (Comp	are to CS/H 00139) Electronic	Transactions for Title Certificates and Registrations
428452	D	S	RCS	TR, Diaz	Delete everything after 03/24 09:27 AM
Tab 2	SB 10	<b>82</b> by <b>A</b>	lbritton;	(Similar to CS/H 00077) Diesel	Exhaust Fluid
607478	D	S	RCS	TR, Albritton	Delete everything after 03/25 08:21 AM
Tab 3	SB 119	<b>94</b> by <b>H</b>	ooper; (S	Similar to CS/H 00057) Transpo	rtation
745468	Α	S	RCS	TR, Hooper	Delete L.61 - 86: 03/25 08:22 AM
296808	Α	S	RCS	TR, Hooper	btw L.122 - 123: 03/25 08:22 AM
Tab 4	SB 14:	<b>12</b> by <b>P</b>	<b>erry</b> ; (Sim	nilar to H 01113) Traffic and Pe	destrian Safety
Tab 5	SB 16	<b>60</b> by <b>B</b>	urgess; (	Identical to H 01283) Tampa-H	Iillsborough County Expressway Authority
755890	D	S		TR, Burgess	Delete everything after 03/23 08:25 AM

#### The Florida Senate

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

TRANSPORTATION Senator Harrell, Chair Senator Perry, Vice Chair

MEETING DATE: Wednesday, March 24, 2021

**TIME:** 8:30—11:00 a.m.

PLACE: Toni Jennings Committee Room, 110 Senate Building

MEMBERS: Senator Harrell, Chair; Senator Perry, Vice Chair; Senators Berman, Bracy, Gainer, Jones,

Rodriguez, and Wright

BILL DESCRIPTION and TAB BILL NO. and INTRODUCER SENATE COMMITTEE ACTIONS

COMMITTEE ACTION

Yeas 6 Nays 1

PUBLIC TESTIMONY WILL BE RECEIVED FROM ROOM A1 AT THE DONALD L. TUCKER CIVIC CENTER, 505 W. PENSACOLA STREET, TALLAHASSEE, FL 32301

1 SB 754

Diaz

(Compare CS/H 139)

Electronic Transactions for Title Certificates and Registrations; Authorizing tax collectors to accept applications for motor vehicle certificates of title by electronic or telephonic means and to collect

electronic mail addresses for use as a method of

notification; specifying tax collection systems for which certain fees may be used for integration with the Florida Real Time Vehicle Information System; authorizing tax collectors to accept applications for vessel certificates of title by electronic or telephonic means and to collect electronic mail addresses for use as a method of providing representations, etc.

use as a method of providing renewal notices, etc.

TR ATD AP 03/24/2021 Fav/CS

SB 1082

2

Albritton (Similar CS/H 77) Diesel Exhaust Fluid; Requiring the governing body of each public airport that meets certain criteria to create a diesel exhaust fluid safety mitigation and exclusion plan for submission to the Department of Transportation; providing plan requirements; requiring

an annual certification of compliance, etc.

TR 03/03/2021 Temporarily Postponed

TR 03/24/2021 Fav/CS

ATD AP

Fav/CS

Fav/CS Yeas 7 Nays 0 **COMMITTEE MEETING EXPANDED AGENDA** Transportation Wednesday, March 24, 2021, 8:30—11:00 a.m.

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
3	SB 1194 Hooper (Similar CS/H 57, Compare CS/S 1500)	Transportation; Providing that certain governmental entities may not prohibit certain vendors from responding to competitive solicitations of certain contractual services; requiring contractors wishing to bid on certain contracts to first be certified by the Department of Transportation as qualified; exempting airports from certain restrictions regarding entities performing engineering and inspection services; revising and providing definitions; revising requirements for arbitration of certain contracts by the State Arbitration Board, etc.  TR 03/24/2021 Fav/CS ATD AP	Fav/CS Yeas 7 Nays 0
4	SB 1412 Perry (Similar H 1113)	Traffic and Pedestrian Safety; Citing this act as the "Sophia Nelson Pedestrian Safety Act"; requiring a traffic engineering study to be conducted which recommends installation of a specified pedestrian crosswalk before such installation occurs; requiring a pedestrian crosswalk on a public highway, street, or road which is located at any point other than at an intersection with another public highway, street, or road to conform to specified requirements; providing coordination requirements for certain devices and signals; requiring that traffic control signal devices at adjacent intersections be taken into consideration, etc.  TR 03/24/2021 Favorable	Favorable Yeas 7 Nays 0
		ATD AP	
5	SB 1660 Burgess (Identical H 1283)	Tampa-Hillsborough County Expressway Authority; Renaming the Tampa-Hillsborough County Expressway Authority as the "West Florida Expressway Authority"; providing for the transfer of governance and control, property and legal rights, powers, responsibilities, and obligations from the Tampa-Hillsborough County Expressway Authority to the West Florida Expressway Authority; authorizing the authority to construct certain facilities within the expressway system; deleting provisions relating to interest on gasoline tax funds repaid to Hillsborough County; specifying lands and property the authority may acquire, etc.	Temporarily Postponed
		TR 03/24/2021 Temporarily Postponed ATD AP	

S-036 (10/2008) Page 2 of 2

# 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.)

INTRODUCER:	Committee	on Transportati	ion and be	nator Diaz		
SUBJECT:	Motor Vehic	cle and Vessel	Registration	on Data		
DATE:	March 25, 2	021 REV	/ISED: _			
ANAL	YST	STAFF DIRE	CTOR	REFERENCE		ACTION
1. Proctor		Vickers		TR	Fav/CS	
2.				ATD		
3.				AP		

## Please see Section IX. for Additional Information:

**COMMITTEE SUBSTITUTE - Substantial Changes** 

## I. Summary:

CS/SB 754 includes the following provisions:

- Authorizes tax collectors to contract with vendors for technology services in order to provide electronic and telephonic motor vehicle and vessel titling transactions to customers;
- Defines a vendor-built technology system for motor vehicle, mobile home, and vessel renewal transactions as a "tax collection system";
- Authorizes the Department of Highway Safety and Motor Vehicles (DHSMV), upon a tax
  collector's request, to provide ancillary technology to integrate other tax collection systems
  used by tax collectors in order to provide tax collectors with data access and uniform
  interface functionalities for registration renewal transactions performed at a tax collector's
  office or online through a tax collector's website; and
- Requires the DHSMV to provide a tax collectors' vendor with the ability to record registration renewals in the Florida Real Time Vehicle Information System (FRVIS) in real time and with the ability to do bulk data reporting.

The bill may have an indeterminate, though likely significant, impact on the DHSMV associated with the expansion of the FRVIS data access and interface functionality. See Section V. Fiscal Impact Statement.

The bill takes effect on July 1, 2021.

#### II. Present Situation:

## Tax Collectors as Agents of the DHSMV

Sixty-five counties currently have elected tax collectors who are constitutional officers.<sup>1</sup> Broward and Miami-Dade counties currently have appointed tax collectors under each county's charter government.<sup>2</sup>

Chapters 320, 322, and 328, F.S., provide that tax collectors are agents of the DHSMV for the limited purposes of providing motor vehicle and driver license services. Specifically, with regards to the issuance of registration certificates, license plates, and validation stickers (motor vehicle services), the tax collectors in the several counties of the state are "authorized agents of the department [DHSMV] ... subject to the requirements of the law." This principal/agent relationship is memorialized by written agreement in the form of a memorandum of understanding (MOU) between the DHSMV and tax collectors throughout the state, providing that tax collectors are acting as agents of the DHSMV carrying out state law duties at a local level in a uniform and accountable manner.

While the tax collector itself is not a state agency, in its role as an authorized agent of the DHSMV, it is considered a "state agency" when acting pursuant to s. 320.03, F.S., in providing motor vehicle services.<sup>4</sup> The Florida Attorney General has also concluded that tax collectors are under the direction and control of the DHSMV when providing services under ch. 320 (motor vehicle licenses) and 322 (driver licenses), F.S.<sup>5</sup>

As a result of Florida Constitutional Amendment 10 (amending Section 3 of Article III, Sections 4 and 11 of Article IV, and Sections 1 and 6 of Article VIII of the Florida Constitution) that passed in 2018, Volusia, Broward and Miami-Dade county tax collector offices will be elected positions. The tax collector in Volusia County took office in 2021 and the Broward and Miami-Dade county tax collectors will take office in 2025. Currently, the motor vehicle services in these charter counties are predominately provided by private tag agency/license plate agent/license tag agencies/private license plate agencies<sup>6</sup> (collectively referred to as "LPA") that have an

<sup>&</sup>lt;sup>1</sup> Volusia County formerly had an appointed tax collector. However, pursuant to s. 1(d), Art. VIII of the State Constitution and effective January 5, 2021, Volusia County has an elected tax collector.

<sup>&</sup>lt;sup>2</sup> Pursuant to s. 1(d), Art. VIII of the State Constitution, Broward and Miami Dade counties will have elected tax collectors effective January 7, 2025.

<sup>&</sup>lt;sup>3</sup> Section 320.03(1), F.S.

<sup>&</sup>lt;sup>4</sup> Dealer Tag Agency, Inc. v. First Hillsborough County Auto Tag Agency, Inc., 14 So. 3d 1238, 1240 (Fla. 2d DCA 2009). The trial court declared the contract void as a matter of law, because the tax collector established no bid protest procedures as required by Chapter 287, F.S. On appeal, the Second DCA held that the trial court erred, because the tax collector was not an executive branch of the state government bound by Chapters 287 or 120. Instead, the tax collector is a constitutional entity created by Article VIII, Section 1(d) of the Florida Constitution. The court held that "The fact that the Tax Collector is described as an "authorized agent" of the DHSMV for the provisions of section 320.03, F.S, does not make it a state agency for the provisions of chapter 287 and 120." *Id.* at 1240.

<sup>&</sup>lt;sup>5</sup> "The tax collector, who acts as the agent of and under the direction and control of the department in the sale of motor vehicle license plates, is not acting as a county officer and the bond required to be posted protects only the department and not the county for other tax revenues received by the collector." FL AGO 74-101 (Apr. 1, 1974).

<sup>&</sup>lt;sup>6</sup> Various combinations of these words are used interchangeably.

agreement with the county to charge an additional county service fee set by the county commission.<sup>7</sup>

Sixteen counties have, or have until recently had, contracts with LPAs to operate 57 offices to perform title and registration services for motor vehicles, mobile homes, and vessels, as follows:

• Alachua – 1 • Bay − 1 • Broward – 7 • Highlands – 1 • Leon – 1 • Hillsborough – 1 • Jefferson – 2 • Lee – 1 (opens in 2021) • Miami-Dade – 25 • Manatee – 1 • Orange – 4 • Palm Beach – 2 • Polk -3• Volusia - 38 • Pasco − 1 • Pinellas – 3

Many tax collectors in Florida hire information technology vendors to assist with mailing, cashiering, deploying kiosks, providing online services, and performing other duties. When requested by a tax collector, the DHSMV routinely provides access to data, both in real-time and through batch processes, to the tax collector's vendors for the purpose of providing support to the requesting tax collector. Some of the data provided contains personal information which is confidential pursuant to the federal Driver's Privacy Protection Act ("DPPA") of 1994. Such information may be released only as authorized by that act.

To ensure compliance with DPPA, the DHSMV practices data minimization, so that personal information from driver license records is provided to agents and vendors only when it is directly relevant to accomplish a specified task deemed necessary by the DHSMV or Legislature. Once the specified purpose has been completed, this practice requires that shared data is securely destroyed or otherwise rendered unreadable. Data minimization also decreases risks of data loss and breaches.<sup>11</sup>

## **Registration Duties of Tax Collectors**

Motor Vehicles

Tax collectors are authorized agents of the DHSMV that issue registration certificates, registration license plates, validation stickers, and mobile home stickers to applicants. <sup>12</sup> The DHSMV may require each tax collector to give a bond, payable to the DHSMV, conditioned that the tax collector faithfully and truly perform the duties imposed upon him or her according to the requirements of law and the rules and regulations of the DHSMV. <sup>13</sup> Each tax collector must keep a full and complete record and account of all validation stickers, mobile home stickers, or other

<sup>&</sup>lt;sup>7</sup> In determining the appropriateness of public funding for equipment used by LPAs, the Attorney General noted for purposes of section 320.03, F.S., that "license tag agencies are the agents of the respective county tax collectors....[and that n]o pecuniary benefit inures to such agents or subagents." (emphasis added) FL AGO 082-81 (Oct. 11, 1982). The opinion goes on saying, "The license tag agencies in question are the agents of the county tax collector and as such subagents of the department...." *Id*.

<sup>&</sup>lt;sup>8</sup> These LPA offices operated prior to the elected Volusia County tax collector taking office on January 5, 2021. Currently, these offices are winding down operations and were to close by February 4, 2021.

<sup>&</sup>lt;sup>9</sup> See 18 U.S.C. s. 2725.

<sup>&</sup>lt;sup>10</sup> See 18 U.S.C. ss. 2721 et seq.

<sup>&</sup>lt;sup>11</sup> Department of Highway Safety and Motor Vehicles, 2021 Legislative Bill Analysis for SB 754, (March 5, 2021), p. 3 (on file with the Senate Committee on Transportation).

<sup>&</sup>lt;sup>12</sup> Section 320.03(1), F.S.

<sup>&</sup>lt;sup>13</sup> Section 320.03(2), F.S.

properties received by him or her from the DHSMV.<sup>14</sup> FRVIS must be installed in every tax collector's and license tag agent's office in accordance with a schedule established by the DHSMV in consultation with the tax collectors and contingent upon funds being made available for the system by the state.<sup>15</sup>

#### Vessels

Tax collectors must issue registration certificates and vessel numbers and decals to applicants, subject to the requirements of law and in accordance with the rules of the DHSMV. <sup>16</sup> Each tax collector must keep a full and complete record and account of all vessel decals or other properties received by him or her from the DHSMV and must make prompt remittance of moneys collected by them at the times and in the manner prescribed by law. <sup>17</sup>

#### Florida Real Time Vehicle Information System

The FRVIS is composed of two processing environments. The first is a distributed environment that consists of the servers at local tax collector and tag agent offices that process tag, title, and registration transactions throughout the state. The second environment is the host portion that consists of the back-end processing that is conducted centrally at the DHSMV's primary data center.<sup>18</sup>

The DHSMV maintains the FRVIS that facilitates the collection of taxes and fees for tags, titles, and registrations associated with motor vehicles and vessels. Local tax collector and tag agent offices throughout the state process tag, title, and registration transactions through the FRVIS. There is a \$0.50 fee on each motor vehicle, mobile home, and vessel registration to cover the operation of the FRVIS, and that fee is deposited into the Highway Safety Operating Trust Fund. According to the DHSMV, the FRVIS processed approximately 407.3 million transactions for the collection of approximately \$2.99 billion in revenue from taxes and fees associated with tags, titles, and registrations for motor vehicles and vessels during fiscal year 2019-20, including amounts retained by local tax collector and tag agent offices. These funds, together with all other sources of the DHSMV's revenue, are distributed through the FRVIS to various state agencies, including the DHSMV, and non-state entities in accordance with governing Florida Statutes.

Currently, any tax collector or LPA opening a new office or expanding existing offices initially purchases the equipment needed for title and registration services in that office. The DHSMV

<sup>&</sup>lt;sup>14</sup> Section 320.03(3), F.S.

<sup>&</sup>lt;sup>15</sup> Section 320.03(4)(b), F.S.

<sup>&</sup>lt;sup>16</sup> Section 328.73(1), F.S.

<sup>&</sup>lt;sup>17</sup> Section 328.73(2), F.S.

<sup>&</sup>lt;sup>18</sup> Department of Highway Safety and Motor Vehicles, *Florida Real Time Vehicle Information System (FRVIS): Information Technology Operational Audit*, at 1 (April 2014), available at <a href="https://flauditor.gov/pages/pdf\_files/2014-183.pdf">https://flauditor.gov/pages/pdf\_files/2014-183.pdf</a> (last visited March 16, 2021).

<sup>&</sup>lt;sup>19</sup> *Id*.

<sup>&</sup>lt;sup>20</sup> *Id.* at 1-2.

<sup>&</sup>lt;sup>21</sup> Sections 320.03(5) and 328.73(3), F.S.

<sup>&</sup>lt;sup>22</sup> Email from Kevin Jacobs, Legislative Affairs Director, Department of Highway Safety and Motor Vehicles, FW: FRVIS, (March 16, 2021).

<sup>&</sup>lt;sup>23</sup> Supra, FN 18.

periodically refreshes outdated equipment and pays the cost of the new equipment (contingent upon appropriated funds) for both tax collector's and LPA's offices. LPAs reimburse the DHSMV for reoccurring circuit costs (i.e., Internet access) for each location, unless the LPA office is collocated with a tax collector's office and the circuit is shared.<sup>24</sup>

The DHSMV administers the FRVIS in consultation with the Florida Tax Collectors, Inc., to ensure that each county tax collector's office is equipped with the necessary information technology to support the operation of the FRVIS. Only the DHSMV, tax collectors, and LPAs have access to the FRVIS. Access to the DHSMV systems and data is governed by various MOUs between the DHSMV, tax collectors, and other third-party entities. The MOUs document how the data will be used and protected, ensuring compliance with various state and federal laws, including DPPA.

In addition to residential street addresses, the DHSMV is authorized to collect and store (in the FRVIS) e-mail addresses. E-mail addresses may be used, in lieu of the United States Postal Service, to provide certain renewal notices, including registration renewal notices, driver license renewal notices, and vessel registration renewal notices. <sup>25, 26, 27, 28, 29</sup>

#### FRVIS Interfaces

Over the years, the DHSMV has also created numerous custom interfaces to the FRVIS. These interfaces include:

- The Electronic Filing System<sup>30</sup> and Electronic Temporary Registration system<sup>31</sup> which allow motor vehicle and vessel dealers the ability to conduct tag and title transactions in their dealerships;
- The motor vehicle kiosk interface which allows tax collector vendors the ability to place motor vehicle registration kiosks in their office and in off-site locations such as Publix; and
- The Motor Vehicle Eligibility Web Service that provides tax collectors a real time application interface to assist with processing mailed in motor vehicle renewals or motor vehicle renewals processed through their proprietary standalone websites.<sup>32</sup>

Other Significant DHSMV Systems and Data Exchanges

The DHSMV also operates various other driving and traffic records systems including:

- Online Registration and Identity Operating Network for issuing driver licenses and identification cards;
- An electronic crash reporting system for law enforcement to submit crash reports; and

<sup>&</sup>lt;sup>24</sup> Supra, FN 11.

<sup>&</sup>lt;sup>25</sup> Section 319.40, F.S.

<sup>&</sup>lt;sup>26</sup> Section 320.95, F.S.

<sup>&</sup>lt;sup>27</sup> Section 322.08(10), F.S.

<sup>&</sup>lt;sup>28</sup> Section 328.30, F.S.

<sup>&</sup>lt;sup>29</sup> Section 328.80, F.S.

<sup>&</sup>lt;sup>30</sup> The Electronic Filing System has been created using the new Online Registration and Identity Operating Network architecture which is being used for the Motorist Modernization Project.

<sup>&</sup>lt;sup>31</sup> Section 320.131, F.S.

<sup>&</sup>lt;sup>32</sup> Supra, FN 11.

• A uniform traffic citation processing system utilized by the clerks of court to submit traffic citations.<sup>33</sup>

The DHSMV also maintains dozens of data exchanges with governmental and private entities to provide access to real time data to improve customer service and efficiency of operations. External stakeholders and their vendors routinely submit requests to the DHSMV to modify their motor vehicle, driver license and traffic records systems and interfaces to meet stakeholder needs. The DHSMV's stakeholders include state and local law enforcement, tax collectors, clerks of court, supervisors of elections, other states through the American Association of Motor Vehicle Administrators systems, Department of State, Department of Transportation, insurance companies, expressway tolling authorities, automobile dealers, and various other technology companies, that rely on the DHSMV data or systems to efficiently conduct business. When a stakeholder requests that the DHSMV modify an existing system or create a new system or interface, the DHSMV must evaluate the:

- Benefits of the modification, new system, or new interface to the DHSMV's and tax collectors' customers, third party system users, and to tax collectors' vendors;
- The cost to implement the change;
- Previously existing legislative, tax collector, and the DHSMV priorities; and
- Requested implementation schedule.<sup>34</sup>

#### **Collection of Electronic Mail Addresses**

The DHSMV is authorized to collect electronic mail addresses and use electronic mail, in lieu, of the U.S. Postal Service, for purposes of renewal notices associated, respectively, with motor vehicle, mobile home, and trailer titling; motor vehicle, mobile home, and trailer registrations; and vessel registrations.<sup>35</sup> E-mail addresses collected by the DHSMV pursuant to s. 319.40(3), F.S., (relating to motor vehicle, mobile home, and trailer titling) and s. 320.95(2), F.S., (relating to motor vehicle, mobile home and trailer registrations) are exempt from disclosure pursuant to s. 119.07(1), F.S., and s. 24(1) of Article I of the State Constitution.<sup>36</sup>

## III. Effect of Proposed Changes:

The bill amends s. 320.03, F.S., to require each third party contracted with a tax collector who has online computer access to the DHSMV's systems or data must enter into a memorandum of understanding with the DHSMV.

The bill amends ss. 320.03 and 328.73, F.S., to provide that other tax collection systems include technology systems provided by a tax collector's approved vendors for registration renewal transactions, including, but not limited to, renewal of motor vehicle and mobile home registration certificates, registration license plates, validation stickers, vessel registration certificates, and vessel numbers and decals. Such transactions must be performed on behalf of an applicant either in person at a county tax collector's office or online through a county tax collector's website.

<sup>&</sup>lt;sup>33</sup> *Id*.

<sup>&</sup>lt;sup>34</sup> *Id*.

<sup>35</sup> Sections 319.40(1), 320.95(2), and 328.30(3), F.S.

<sup>&</sup>lt;sup>36</sup> Section 119.0712(2)(c), F.S.

If requested by a tax collector, the DHSMV is authorized to provide ancillary technology to integrate other tax collection systems used by tax collectors in order to provide tax collectors with data access and uniform interface functionalities for registration renewal transactions performed at a tax collector's office or online through a tax collector's website. The provided data and functionality must be used for the purpose of processing renewal transactions and must include, but not be limited to, bulk data for vehicle and vessel registrations which includes each applicant's current residential address and electronic mail address and the ability to record registration renewals in the state system in real time. The provided data and functionality may be used only for purposes of fulfilling the tax collector's statutory duties and may not be resold or used for any other purpose.

The bill requires that the data access and uniform interface functionalities must be developed no later than July 1, 2023.

The bill directs the DHSMV in consultation with the Florida Tax Collectors, Inc., to ensure that tax collectors' approved vendors protect customer privacy and data collection.

The bill has an effective date of July 1, 2021.

## 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.

E. Other Constitutional Issues:

None identified.

## V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

## B. Private Sector Impact:

Tax collector-approved agents and vendors, may experience a positive indeterminate fiscal impact as a result of improved operational efficiencies and service due to having the ability to record motor vehicle, mobile home, and vessel registration renewals in the FRVIS.

## C. Government Sector Impact:

Tax collectors may experience a positive indeterminate fiscal impact as a result of improved operational efficiencies and service due to having the ability to record motor vehicle, mobile home, and vessel registration renewals in the FRVIS.

The bill authorizes the DHSMV, upon the request of any tax collector, to create and maintain interfaces to support the integration of their vendors' technology systems and provide their vendors with the ability to record motor vehicle, mobile home, and vessel registration renewals in the FRVIS in real-time. To the extent that the bill results in the DHSMV creating more interfaces to the FRVIS for tax collectors' vendor-provided systems, funding required to develop those interfaces may increase and potentially impair the ability of the Highway Safety Operating Trust Fund to fund all of the costs currently associated with FRVIS, its interfaces, and other DHSMV information technology costs as well as equipment refreshes and internet connections for tax collectors and LPAs.<sup>37</sup>

Complying with the requirement to integrate a vendors technology systems may impact the DHSMV's ability to maintain the FRVIS within current resources. Presently, the DHSMV manages its resources for the FRVIS to maintain the system's functionality and capabilities to benefit the widest array of users. The potential new interfaces may limit the DHSMV's ability to prioritize use of resources for the FRVIS, including to make enhancements required by federal law, and to make enhancements that would benefit law enforcement, automobile dealers and other stakeholders.<sup>38</sup>

#### VI. Technical Deficiencies:

None.

## VII. Related Issues:

The DHSMV provided the following additional comments in the 2021 Legislative Bill Analysis for SB 754:

- The bill requires the DHSMV to provide the tax collector and his or her approved vendor with the ability to record registration renewals in the state system in real time. Neither the DHSMV's websites nor the tax collectors' websites update a cashiered renewal transaction in real time. The DHSMV will be required to build this functionality.
- The bill amends ss. 320.03(5) and 328.73(1), F.S., authorizing the DHSMV provide tax collectors and their approved third-party vendor's data access and interface functionality,

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<sup>&</sup>lt;sup>37</sup> Supra, FN 11.

<sup>&</sup>lt;sup>38</sup> Id.

including bulk data transfers, which potentially could undermine the DHSMV's data minimization policies. Those policies are designed to protect customers against data loss, including personally identifying information, and to ensure compliance with the federal Drivers Privacy Protection Act of 1994.

• The bill amends s. 328.73(1), F.S., to authorize tax collectors to contract with vendors for technology services in order to provide those transactions by electronic and telephonic means. Currently FRVIS is the only system used to title and register motor vehicles, mobile homes, trailers, and vessels in Florida. The language appears to contemplate the tax collectors and their vendors would create a stand-alone system to conduct title and registration transactions. As this concept has not been previously discussed with the DHSMV, it is unclear as to how much it would cost the DHSMV to integrate the vendor systems in each requesting county.

#### VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 320.03 and 328.73.

## IX. Additional Information:

## A. Committee Substitute – Statement of Changes:

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

#### CS by Committee on Transportation on March 24, 2021:

- Authorizes tax collectors to contract with vendors for technology services in order to provide electronic and telephonic motor vehicle and vessel titling transactions to customers;
- Defines a vendor-built technology system for motor vehicle, mobile home, and vessel renewal transactions as a "tax collection system";
- Provides that if requested by a tax collector, the DHSMV is authorized to provide ancillary technology to integrate other tax collection systems used by tax collectors in order to provide tax collectors with data access and uniform interface functionalities for registration renewal transactions performed at a tax collector's office or online through a tax collector's website;
- Requires the DHSMV to provide a tax collectors' vendor with the ability to record registration renewals in the FRVIS in real time and with the ability to do bulk data reporting;
- Removed language in the underlying bill which provided for data access and interface functionalities, to the tax collectors and third parties contracting with a tax collector, that other third parties receive from the DHSMV; and
- Removed language in the underlying bill which provided that a tax collector and third parties contracting with a tax collector may collect electronic mail addresses.

#### B. Amendments:

None.



	LEGISLATIVE ACTION	
Senate		House
Comm: RCS		
03/24/2021		
	•	

The Committee on Transportation (Diaz) recommended the following:

## Senate Amendment (with title amendment)

Delete everything after the enacting clause and insert:

Section 1. Paragraph (a) of subsection (4) and subsection (5) of section 320.03, Florida Statutes, are amended to read:

320.03 Registration; duties of tax collectors;

International Registration Plan.-

(4)(a) Each tax collector, third party contracted with a tax collector, or license tag agent who has online computer

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access to the department's systems or department data center other reasonable access thereto shall enter into a memorandum of understanding with the department and shall, except when the department has issued a registration renewal notice, upon receipt of an application for the registration of any motor vehicle, determine from the driver file of the applicant whether the applicant's driver license has been canceled, suspended, or revoked and, if so, whether the applicant has surrendered his or her license to the department as required by s. 322.251. If the applicant has not surrendered his or her license in accordance with the provisions of that section, the tax collector must shall refuse to register the vehicle until such time as the applicant surrenders his or her driver license to the department.

(5) (a) In addition to the fees required under s. 320.08, a fee of 50 cents must shall be charged on every license registration sold to cover the costs of the Florida Real Time Vehicle Information System. The fees collected must shall be deposited into the Highway Safety Operating Trust Fund to be used exclusively to fund the system. The fee may only be used to fund the system equipment, software, personnel associated with the maintenance and programming of the system, and networks used in the offices of the county tax collectors as agents of the department and the ancillary technology necessary to integrate the system with other tax collection systems. The department shall administer this program upon consultation with the Florida Tax Collectors, Inc., to ensure that each county tax collector's office is technologically equipped and functional for the operation of the Florida Real Time Vehicle Information System

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and to ensure that all ancillary technology and other tax collection systems used by tax collectors protect customer privacy and data. Any designated revenue collected to support functions of the county tax collectors and not used in a given year must remain exclusively in the trust fund as a carryover to the following year.

(b) Upon a tax collector's request, the department is authorized to provide ancillary technology to integrate other tax collection systems used by tax collectors in order to provide tax collectors with data access and uniform interface functionalities for registration renewal transactions performed at a tax collector's office or online through a tax collector's website. The department shall prescribe the best manner of delivering the data access and uniform interface functionalities to tax collectors for the purpose of processing registration renewal transactions and shall provide the ability to record and process registration renewal transactions in the state system in real time and bulk data reporting for vehicle registrations, including each applicant's electronic mail address collected pursuant to s. 320.95. Such data and functionalities may be used only for purposes of fulfilling the tax collector's statutory duties pursuant to this chapter, chapter 319, chapter 322, or chapter 328 and may not be resold or used for any other purpose. Such data access and uniform interface functionalities must be developed no later than July 1, 2023. For the purposes of this paragraph, the term "registration renewal transactions" means issuance of motor vehicle, mobile home, and trailer registration certificates, registration license plates, and validation stickers.

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Section 2. Subsection (1) of section 328.73, Florida Statutes, is amended to read:

328.73 Registration; duties of tax collectors.

(1)(a) The tax collectors in the counties of the state, as authorized agents of the department, shall issue registration certificates and vessel numbers and decals to applicants, subject to the requirements of law and in accordance with rules of the department.

(b) Upon a tax collector's request, the department is authorized to provide ancillary technology to integrate other tax collection systems used by tax collectors in order to provide tax collectors with data access and uniform interface functionalities for registration renewal transactions performed at a tax collector's office or online through a tax collector's website. The department shall prescribe the best manner of delivering the data access and uniform interface functionalities to tax collectors for the purpose of processing registration renewal transactions and shall provide the ability to record and process registration renewal transactions in the state system in real time and bulk data reporting for vessel registrations, including each applicant's electronic mail address collected pursuant to s. 320.95. Such data and functionalities may be used only for purposes of fulfilling the tax collector's statutory duties pursuant to this chapter, chapter 319, chapter 320, or chapter 322 and may not be resold or used for any other purpose. Such data access and uniform interface functionalities must be developed no later than July 1, 2023. For the purposes of this paragraph, the term "registration renewal transactions" means issuance of vessel registration certificates, vessel numbers,



and decals.

Section 3. This act shall take effect July 1, 2021.

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101 ========== T I T L E A M E N D M E N T ====

102 And the title is amended as follows:

> Delete everything before the enacting clause and insert:

> > A bill to be entitled

An act relating to motor vehicle and vessel registration data; amending s. 320.03, F.S.; requiring tax collectors, third parties contracted with tax collectors, and license tag agents to enter into a memorandum of understanding with the Department of Highway Safety and Motor Vehicles and make certain determinations regarding registration applicants; requiring the department to ensure that certain technology used by tax collectors protects customer privacy and data; authorizing the department to provide certain technology to tax collectors, upon request, in order to provide data access and uniform interface functionalities for registration renewal transactions; providing requirements for the department; authorizing use of such data and functionalities for certain purposes; requiring development of data access and uniform interface functionalities by a certain date; defining the term "registration renewal transactions"; amending s. 328.73, F.S.; authorizing the department to provide certain technology to tax collectors, upon request, in

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order to provide data access and uniform interface functionalities for registration renewal transactions; providing requirements for the department; authorizing use of such data and functionalities for certain purposes; requiring development of data access and uniform interface functionalities by a certain date; defining the term "registration renewal transactions"; providing an effective date.

By Senator Diaz

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36-00785-21 2021754

A bill to be entitled An act relating to electronic transactions for title certificates and registrations; amending s. 319.40, F.S.; authorizing tax collectors to accept applications for motor vehicle certificates of title by electronic or telephonic means and to collect electronic mail addresses for use as a method of notification; authorizing tax collectors to contract with vendors to provide electronic and telephonic transactions; providing that an electronic signature that meets certain requirements satisfies any signature required for an application for a certificate of title; providing an exception; amending s. 320.03, F.S.; specifying tax collection systems for which certain fees may be used for integration with the Florida Real Time Vehicle Information System; requiring the Department of Highway Safety and Motor Vehicles to provide tax collectors and their approved vendors with certain data access and interface functionality; specifying authorized uses for such data and functionality; defining the term "approved vendor"; requiring the department to ensure that approved vendors protect customer privacy and data collection; amending s. 328.30, F.S.; authorizing tax collectors to accept applications for vessel certificates of title by electronic or telephonic means and to collect electronic mail addresses for use as a method of providing renewal notices; authorizing tax collectors to contract with vendors to provide

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CODING: Words  $\underline{\textbf{stricken}}$  are deletions; words  $\underline{\textbf{underlined}}$  are additions.

Florida Senate - 2021 SB 754

	36-00785-21 2021754
30	electronic and telephonic transactions; providing that
31	an electronic signature that meets certain
32	requirements satisfies any signature required for an
33	application for a certificate of title; amending s.
34	328.73, F.S.; authorizing certain tax collection
35	systems for in-person and online transactions;
36	requiring the department to provide tax collectors and
37	their approved vendors with certain data access and
38	interface functionality; specifying authorized uses
39	for such data and functionality; providing an
40	effective date.
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42	Be It Enacted by the Legislature of the State of Florida:
43	
44	Section 1. Section 319.40, Florida Statutes, is amended to
45	read:
46	319.40 Transactions by electronic or telephonic means.—
47	(1) The department and tax collectors may accept any
48	application provided for under this chapter by electronic or
49	telephonic means.
50	(2) The department may issue an electronic certificate of
51	title in lieu of printing a paper title.
52	(3) The department and tax collectors may collect
53	electronic mail addresses and use electronic mail in lieu of the
54	United States Postal Service as a method of notification.
55	However, any notice regarding the potential forfeiture or
56	foreclosure of an interest in property must be sent via the
57	United States Postal Service.
58	(4) Tax collectors may contract with vendors for technology

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services in order to provide transactions by electronic and telephonic means provided for under this chapter.

(5) An electronic signature that is consistent with chapter 668 satisfies any signature required for an application under this chapter, except when the electronic signature must be executed using an electronic signature as defined in s. 668.003(4), which uses a system providing an Identity Assurance Level, an Authenticator Assurance Level, and a Federation Assurance Level, as described in the National Institute of Standards and Technology Special Publication 800-63-3, as of December 1, 2017, which are equivalent to or greater than Level 2.

Section 2. Subsection (5) of section 320.03, Florida Statutes, is amended to read:

320.03 Registration; duties of tax collectors; International Registration Plan.—

(5) In addition to the fees required under s. 320.08, a fee of 50 cents shall be charged on every license registration sold to cover the costs of the Florida Real Time Vehicle Information System. The fees collected shall be deposited into the Highway Safety Operating Trust Fund to be used exclusively to fund the system. The fee may only be used to fund the system equipment, software, personnel associated with the maintenance and programming of the system, and networks used in the offices of the county tax collectors as agents of the department and the ancillary technology necessary to integrate the system with other tax collection systems. Other tax collection systems include technology systems provided by a tax collector's approved vendors for registration renewal transactions,

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 ${\tt CODING:}$  Words  ${\tt stricken}$  are deletions; words  ${\tt \underline{underlined}}$  are additions.

Florida Senate - 2021 SB 754

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88	including, but not limited to, renewal of motor vehicle and
89	mobile home registration certificates, registration license
90	plates, and validation stickers. Such registration renewal
91	transactions shall be performed on behalf of an applicant either
92	in person at a county tax collector's office or online via a
93	county tax collector's website. Upon a tax collector's request,
94	the department shall provide the tax collector and his or her
95	approved vendors with data access and interface functionality,
96	including, but not limited to, data access and interface
97	functionality that other third parties receive from the
98	department. Such data and functionality shall be used for the
99	purpose of processing renewal transactions and shall include,
100	but not be limited to, bulk data for vehicle registrations which
101	includes each applicant's current residential address and
102	electronic mail address collected under s. 320.95 and the
103	ability to record registration renewals in the state system in
104	real time. Such data and functionality may be used only for
105	purposes of fulfilling the tax collector's statutory duties and
106	may not be resold or used for any other purpose. For purposes of
107	this subsection, the term "approved vendor" means a third-party
108	entity that has a contract with tax collectors, and a memorandum
109	of understanding with the department, to assist tax collectors
110	in carrying out their duties under this chapter and in
111	accordance with federal and state law. The department shall
112	administer this $\underline{\text{subsection}}$ $\underline{\text{program}}$ upon consultation with the
113	Florida Tax Collectors, Inc., to ensure that each county tax
114	collector's office is technologically equipped and functional
115	for the operation of the Florida Real Time Vehicle Information
116	System and that tax collectors' approved vendors protect

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<u>customer privacy and data collection</u>. Any designated revenue collected to support functions of the county tax collectors and not used in a given year must remain exclusively in the trust fund as a carryover to the following year.

Section 3. Section 328.30, Florida Statutes, is amended to

read:
328.30 Transactions by electronic or telephonic means.—

- (1) The department  $\underline{\text{and tax collectors}}$  may accept any application provided for under this chapter by electronic or telephonic means.
- (2) The department may issue an electronic certificate of title in lieu of printing a paper title.
- (3) The department <u>and tax collectors</u> may collect electronic mail addresses and use electronic mail in lieu of the United States Postal Service for the purpose of providing renewal notices.
- (4) Tax collectors may contract with vendors for technology services in order to provide transactions by electronic and telephonic means provided for under this chapter.

Section 4. Subsection (1) of section 328.73, Florida Statutes, is amended to read:

328.73 Registration; duties of tax collectors.-

(1) The tax collectors in the counties of the state, as authorized agents of the department, shall issue registration certificates and vessel numbers and decals to applicants, subject to the requirements of law and in accordance with rules

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 ${\tt CODING:}$  Words  ${\tt stricken}$  are deletions; words  ${\tt \underline{underlined}}$  are additions.

Florida Senate - 2021 SB 754

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146	of the department. Tax collection systems may include technology
147	systems provided by vendors contracted with tax collectors for
148	in-person and online vessel registration certificates and vessel
149	numbers and decals. Upon a tax collector's request, the
150	department shall provide the tax collector and his or her
151	approved vendors with data access and interface functionality,
152	including, but not limited to, data access and interface
153	functionality that other third parties receive from the
154	department. Such data and functionality shall be used for the
155	purpose of processing renewal transactions and shall include,
156	but not be limited to, bulk data for vessel registrations which
157	includes each applicant's current residential address and
158	electronic mail address collected under s. 320.95 and the
159	ability to record registration renewals in the state system in
160	real time. Such data and functionality may be used only for
161	purposes of fulfilling the tax collector's statutory duties and
162	may not be resold or used for any other purpose.
163	Soction 5 This act shall take offeet Tuly 1 2021

36-00785-21

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## 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.)

	Prepare	d By: The Pro	ofessional Sta	aff of the Committe	e on Transport	ation
BILL:	CS/SB 1082					
INTRODUCER:	Transportati	on Committ	tee and Sen	ator Albritton		
SUBJECT:	Diesel Exha	ust Fluid				
DATE:	March 24, 20	021 F	REVISED:			
ANAL	YST	STAFF DI	RECTOR	REFERENCE		ACTION
. Price		Vickers		TR	Fav/CS	
·				ATD		
				AP		

## Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

## I. Summary:

CS/SB 1082 addresses safety issues associated with airport use of diesel exhaust fluid (DEF). Airports and airport tenants use DEF in diesel-powered vehicles used in an aircraft support role, including aircraft fire-fighting equipment, life-saving equipment, and emergency generators. DEF is also used to help meet the emission control standards mandated by the Environmental Protection Agency. In recent years, a number of aircraft have experienced engine shutdowns and other engine operability issues due to the contamination of jet fuel as a result of the inadvertent filling of anti-icing injection systems in aircraft fuel trucks with DEF, instead of a product used as a fuel additive to address potential freezing of water within jet fuel in an aircraft at altitude.

The bill requires each public airport with specified uses of DEF to require a safety mitigation and exclusion plan for each fixed-base operator that performs onsite treatment of aviation fuel with a fuel system icing inhibitor and provides minimum requirements for the plan. By January 1, 2022, each airport must make the plan available for review during inspections by the Florida Department of Transportation (FDOT).

The bill requires the FDOT, by September 1, 2021, to convene a workgroup of public airport representatives to develop uniform industry standards based on a National Air Transportation Association (NATA) best practice relating to the handling of DEF, and authorizes the FDOT to adopt rules to develop a uniform industry standards form for the required plans based on the workgroup recommendations.

The fiscal impact of the bill is indeterminate. See the "Fiscal Impact Statement" for additional information.

The bill takes effect July 1, 2021.

#### II. Present Situation:

#### **Emission Control Standards**

Under the federal Clean Air Act of 1990, the Environmental Protection Agency (EPA) has mandated strengthened emission control standards for vehicle engines to reduce health and environmental issues caused by air pollution. With respect to diesel engines, nitrogen oxides (NOx) are a major contributor to that pollution, and the EPA has identified NOx in diesel engine emissions for drastic reduction.<sup>1</sup>

Vehicle and engine manufacturers have developed "aftertreatment" technologies to meet the strengthened EPA standards, such as Selective Catalytic Reduction (SCR). SCR reduces NOx emissions when DEF is injected directly into a catalytic converter<sup>2</sup> in the vehicle's exhaust system. Heat from the exhaust helps to break DEF down into ammonia, which in the presence of the catalyst, reacts with the NOx in the exhaust to neutralize it, transforming it into harmless nitrogen gas and water.<sup>3</sup>

The EPA mandated emission standards for off-road diesel engines starting in 2014, which apply to airport support vehicles now equipped with SCR systems and therefore require DEF.<sup>4</sup>

According to the Federal Aviation Administration (FAA), DEF is not approved for use in jet fuel:

When mixed with jet fuel, DEF will react with certain jet fuel chemical components to form crystalline deposits in the fuel system. These deposits will flow through the aircraft fuel system and may accumulate on filters, fuel metering components, other fuel system components, or engine fuel nozzles. The deposits may also settle in the fuel tanks or other areas of the aircraft fuel system where they may potentially become dislodged over time and accumulate downstream in the fuel system as described above.<sup>5</sup>

f (last visited February 12, 2021).

<sup>&</sup>lt;sup>1</sup> Aircraft Diesel Exhaust Fluid Contamination Working Group, *A Collaborative Industry Report on the Hazard of Diesel Exhaust Fluid Contamination of Aircraft Fuel*, June 11, 2019, at p. 3, available at <a href="https://download.aopa.org/advocacy/2019/2019">https://download.aopa.org/advocacy/2019/2019</a> 06 11 Aircraft DEF Contamination Working Group Report FINAL.pdf (last visited February 25, 2021).

<sup>&</sup>lt;sup>2</sup> Merriam-Webster defines the term "catalytic converter" to mean "an automobile exhaust-system component containing a catalyst that causes conversion of harmful gases (such as carbon monoxide and uncombusted hydrocarbons) into mostly harmless products (such as water and carbon dioxide)." Merriam-Webster, *catalytic converter*, available at <a href="https://www.merriam-webster.com/dictionary/catalytic%20converter">https://www.merriam-webster.com/dictionary/catalytic%20converter</a> (last visited February 25, 2021).

<sup>&</sup>lt;sup>3</sup> Supra note 1.

<sup>&</sup>lt;sup>4</sup> Supra note 1 at p. 4.

<sup>&</sup>lt;sup>5</sup> U.S. Department of Transportation Federal Aviation Administration, *SAFO 1815*, *Jet Fuel Contaminated with Diesel Exhaust Fluid (DEF)*, November 13, 2018, available at <a href="https://www.faa.gov/other\_visit/aviation\_industry/airline\_operators/airline\_safety/safo/all\_safos/media/2018/SAFO18015.pd">https://www.faa.gov/other\_visit/aviation\_industry/airline\_operators/airline\_safety/safo/all\_safos/media/2018/SAFO18015.pd</a>

#### Use of DEF at Airports

Airports and airport tenants use DEF in diesel-powered vehicles used in an aircraft support role, including aircraft fire-fighting equipment, life-saving equipment, and emergency generators. DEF is also used to help meet the EPA-mandated emission control standards.<sup>6</sup> DEF is stored in separate tanks on vehicles having an installed SCR system, which treats the exhaust of those vehicle engines.<sup>7</sup>

In recent years, a number of aircraft have experienced engine shutdowns and other engine operability issues due to the contamination of jet fuel as a result of the inadvertent filling of anticing injection systems in aircraft fuel trucks with DEF, instead of fuel system icing inhibitor (FSII).<sup>8</sup> One use of FSII is to mitigate against possible freezing of any water within jet fuel contained in an aircraft when at altitude.<sup>9</sup> FSII injection systems require an FSII fluid reservoir mounted on the truck to supply the injecting system during aircraft refueling.<sup>10</sup> However, since the 2014 application of the EPA mandated emissions standards to off-road diesel engines such as airport refuelers, refueling trucks at airports are often equipped with two reservoirs, one for DEF and one for FSII.<sup>11</sup> According to an industry report on DEF contamination of aircraft fuel, difficulty arises in the fact that both DEF and FSII are clear liquids, resulting in confusion and the accidental mixing with or replacement of FSII.<sup>12</sup>

Between November 2017 and May 2019, there were three instances, two in Florida, in which multiple aircraft had jet fuel contaminated with DEF or were refueled using equipment exposed to DEF. In all three cases, the FAA notes the occurrences resulted from the inadvertent adding of DEF to the fuel truck anti-icing injection system reservoirs, instead of FSII. Because of these instances, and others, 14 numerous aircraft had to perform emergency landings. The FAA conducted a hazard analysis and issued preliminary recommendations to address the problem, including additional training for ground support crews, adoption of best management practices, and dying either DEF or FSII so they can be distinguished from each other. 15

#### Airport Best Management Standards

In response to Florida incidents of fuel contamination from DEF, the Florida Airports Council (FAC) formed a working group to identify how best to educate airport managers and fuel service providers regarding DEF fuel contamination and promulgated a "Florida Statewide Diesel

<sup>&</sup>lt;sup>6</sup> See email from Lisa Waters, President/CEO of the Florida Airports Council, to House staff, November 4, 2019 (on file in the Senate Transportation Committee).

<sup>&</sup>lt;sup>7</sup> Supra note 4.

<sup>&</sup>lt;sup>8</sup> *Id*.

<sup>&</sup>lt;sup>9</sup> *Id*.

<sup>&</sup>lt;sup>10</sup> FAA, *Safety Assessment for Jet Fuel Contamination with Diesel Exhaust Fluid (DEF)*, August 30, 2019, p. 4, available at <a href="https://www.nata.aero/assets/Site\_18/files/GIA/NATA\_News/2019-08-30\_Safety\_Risk\_Assessment\_Report\_DEF-Final.pdf">https://www.nata.aero/assets/Site\_18/files/GIA/NATA\_News/2019-08-30\_Safety\_Risk\_Assessment\_Report\_DEF-Final.pdf</a> (last visited February 25, 2021).

<sup>&</sup>lt;sup>11</sup> *Id*.

<sup>&</sup>lt;sup>12</sup> Supra note 1 at p. 9.

<sup>&</sup>lt;sup>13</sup> *Supra* note 10 at p. 1.

<sup>&</sup>lt;sup>14</sup> See National Air Transportation Association, DEF Contamination Awareness, available at https://www.nata.aero/advocacy/def-awareness (last visited February 25, 2021). See also supra note 5.

<sup>&</sup>lt;sup>15</sup> *Supra* note 10 at pp. 10-13.

Exhaust Fluid Best Management Practices Plan and requested airport managers to implement the plan, working with fuel providers, to reduce the risk of fuel contamination.<sup>16</sup>

Under the plan, if airport managers choose to implement it, each FBO that provides fueling services is responsible for implementing DEF handling and contamination prevention and is required to provide a copy of the FBO's best management practices to the relevant airport manager for record keeping purposes. Airport managers are responsible for making the FBO practices available for review by the FDOT during routine airport inspection. The document provides other sources for FBOs and airport staff relative to DEF contamination, including information from the Federal Aviation Administration, the National Transportation Safety Board, the NATA, and a report from the FAC Aircraft Diesel Exhaust Fluid Contamination Working Group & Recommendations.<sup>17</sup>

## NATA Operational Best Practice No. 36, DEF Handling and Contamination

According to its website, "NATA is the leading national trade association representing the business interests of general aviation service companies on legislative and regulatory matters at the federal level, while also providing education, services, and benefits to our members to help ensure their long-term economic success." Its ground operational best practices were developed by its Safety Committee, made up of industry experts with years of aviation experience. <sup>19</sup>

NATA offers a free operational best practice on DEF Handling and Contamination and contamination prevention training.<sup>20</sup> Best practice No. 36, the purpose of which is "to reduce the risk of aircraft misfueling with Diesel Exhaust Fluid (DEF)," sets out recommended responsible airport personnel, aviation fuel additive storage and fluid handling policies, procedures for procurement and labeling of DEF and FSII, staff training, and auditing.<sup>21</sup>

## FDOT Airport Inspections

The FDOT's rules, among other provisions, require a physical airport inspection as a condition of public airport licensing and an annual inspection for purposes of renewal of a public airport license.<sup>22</sup>

<sup>&</sup>lt;sup>16</sup> See Florida Airports Council, FAC initiates statewide effort to address aviation fuel contamination, available at <u>Florida Airports Council</u> (last visited March 1, 2021).

<sup>&</sup>lt;sup>17</sup> See Florida Airports Council, Florida Statewide Diesel Exhaust Fluid Best Management Practices Plan (BMP) January 1, 2021 - Updated February 8, 2021, available at final-def-bmp-2\_9\_2021.pdf (floridaairports.org) (last visited March 1, 2021).

<sup>&</sup>lt;sup>18</sup> NATA, About, available at National Air Transportation Association | About (nata.aero) (last visited March 24, 2021).

<sup>&</sup>lt;sup>19</sup> NATA, *Operational Best Practices*, available at <u>NATA | National Air Transportation Association - Operational Best Practices</u> (last visited March 24, 2021).

<sup>&</sup>lt;sup>20</sup> NATA, *Diesel Exhaust Fluid (DEF) Contamination Risk Alert*, available at National Air Transportation Association | DEF Contamination Awareness (nata.aero) (last visited March 24, 2021).

<sup>&</sup>lt;sup>21</sup> NATA, *Diesel Exhaust Fluid (DEF) Handling and Contamination Prevention No OBP-36*, revised August 31, 2020, available at OBP 36-DEF Handling and Contamination Prevention (nata.aero) (last visited March 24, 2021).

<sup>22</sup> Rule 14-60.006, F.A.C.

## III. Effect of Proposed Changes:

CS/SB 1082 creates s. 330.401, F.S., requiring each public airport (any publicly or privately owned airport open for public use<sup>23</sup>) to require a DEF safety mitigation and exclusion plan for each fixed-base operator (FBO)<sup>24</sup> that performs onsite treatment of aviation fuel with a FSII. The requirement applies to each such airport at which:

- Aviation fuels receive onsite treatment with FSII;
- Aviation fuel is delivered by a publicly or privately owned FBO; and
- Any aircraft fuel delivery vehicle or ground service equipment that uses DEF is operated within 150 feet of any aircraft.

This provision effectively allows each public airport to assume responsibility for developing the DEF plan or to delegate the responsibility to an FBO operating at the airport.

At a minimum, the plan must include:

- A full inventory of all the FBO's DEF on the airport premises.
- Designation of specific areas of the airport premises where the FBO's DEF may be stored. To the extent practicable, such areas may not be located within or on a vehicle operated for the fueling or servicing of aircraft or at any aviation fuel transfer facility or bulk aviation fuel storage facility.
- Designation of specific areas where DEF may be added to vehicles. These areas may not be located in aircraft operating areas.
- Incorporation of best practices for ensuring the proper labeling and storage of DEF.
- Incorporation of training in the proper use and storage of DEF and FSII for all employees of the FBO who may come into contact with DEF or FSII in the ordinary course of their duties.
- Designation of specific areas where the FBO's FSII may be stored on the airport premises.
- Incorporation of best practices for ensuring the proper labeling and storage of the FBO's fuel system icing inhibitor.
- Physical measures to secure FSII fill points on the FBO's aircraft fuel delivery vehicles, which measures must prevent the addition of any fluid to the FSII fill point by unauthorized personnel.

Each public airport <sup>25</sup> must, by January 1, 2022, make the plan for each FBO available for review during FDOT inspections. By September 1, 2022, the bill requires the FDOT to convene a workgroup of public airport representatives to develop uniform industry standards based upon the minimal provisions required to be in a plan under the bill and on the NATA Operational Best

<sup>&</sup>lt;sup>23</sup> Section 330.27, F.S.

<sup>&</sup>lt;sup>24</sup> The term "fixed base operator" refers to commercial businesses allowed to operate on airport grounds to provide services to the airport, such as fueling services, aircraft maintenance services, and baggage handling. *See* Presidential, *What is a Fixed Base Operator or FBO*, available at <a href="https://www.presidential-aviation.com/fbo/">https://www.presidential-aviation.com/fbo/</a> (last visited February 25, 2021).

<sup>&</sup>lt;sup>25</sup> Publicly owned airports in Florida operate under either a government department model (where the airport operates as a department of the local government) or an airport authority model (where the airport authority is created as either an independent or a dependent special district). Airport operation and administration is generally governed as part of the local government or special district that owns the airport. Privately owned airports open to public use may employ a variety of models for oversight of operations and maintenance, including, but not limited to, sole proprietorships, corporations, and homeowner's associations. *See* GlobalAir.com, "Airports" tab, "Florida," available at <a href="https://www.globalair.com/airport/state.aspx">https://www.globalair.com/airport/state.aspx</a> (last visited February 25, 2020).

Practice No. 36 relating to DEF Handling and Contamination, to ensure consistency of industry standards.

Lastly, the bill authorizes the FDOT to adopt rules to develop a uniform industry standards form for the DEF plan based on the workgroup's recommendations.

The bill takes effect July 1, 2021.

## IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

Article VII, Section 18(a) of the Florida Constitution provides that "no county or municipality shall be bound by any general law requiring such county or municipality to spend funds or to take an action requiring the expenditure of funds, unless certain conditions are met. Section 18(d) exempts from this provision laws having insignificant fiscal impact. The bill requires each public airport to require a DEF plan for each specified FBO. If such airports develop their own DEF plans, expenses may be incurred. However, the bill may have an insignificant fiscal impact and may, therefore, be exempt from the cited provision of the Florida Constitution.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

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:

According to the FDOT, 129 public-use commercial service and general aviation airports currently operate in Florida. Owners of private airports open to public use at which aviation fuels receive onsite treatment with FSII, at which aviation fuel is delivered by a publicly or privately owned FBO, and at which any aircraft fuel delivery vehicle or ground service equipment that uses DEF is operated within 150 feet of any aircraft must require a DEF plan for each FBO and must make the plans available during FDOT inspections. If such an airport delegates responsibility for the DEF plan to an FBO, the FBO may incur expenses in unknown amounts. To the extent that such owners participate in the required workgroup of airport representatives, expenses may be incurred in unknown amounts. The fiscal impact to such owners is indeterminate but likely insignificant.

## C. Government Sector Impact:

Publicly owned airports must require a DEF plan for each FBO and must make the plans available during FDOT inspections. If such an airport does not delegate responsibility for the DEF plan to an FBO, the airport may incur expenses in unknown amounts. To the extent that such airports participate in the required workgroup of airport representatives, expenses may be incurred in unknown amounts. The fiscal impact to such owners is indeterminate but likely insignificant.

The bill does not otherwise appear to present a fiscal impact to local government revenues or expenditures.

The FDOT will likely incur indeterminate expenses associated with convening the required workgroup and, if the FDOT adopts the authorized rules, will incur indeterminate expenses associated with rulemaking. These expenses are expected to be absorbed within existing resources. The bill does not otherwise appear to present a fiscal impact to state revenues or expenditures.

#### VI. Technical Deficiencies:

None.

#### VII. Related Issues:

None.

#### VIII. Statutes Affected:

This bill creates section 330.401 of the Florida Statutes.

<sup>&</sup>lt;sup>26</sup> FDOT, *Florida Aviation System Plan*, available at <a href="https://www.fdot.gov/aviation/FASP2035">https://www.fdot.gov/aviation/FASP2035</a> (last visited February 25, 2020).

## 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 March 24, 2021:

The committee substitute:

- Requires each public airport with the specified uses of DEF to require a DEF safety and mitigation plan for each FBO, rather than to create a plan, effectively authorizing such airports to delegate plan responsibility to an FBO.
- Requires each public airport to make the plans available for review during inspections by the FDOT.
- Requires the FDOT to convene a workgroup of public airport representatives, by September 1, 2021, to develop uniform industry standards.
- Authorizes the FDOT to adopt rules.

## 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	•	
03/25/2021	•	
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The Committee on Transportation (Albritton) recommended the following:

## Senate Amendment (with title amendment)

Delete everything after the enacting clause and insert:

Section 1. Section 330.401, Florida Statutes, is created to read:

330.401 Diesel exhaust fluid safety mitigation and exclusion plan.-

(1) (a) Each public airport as defined in s. 330.27 at which:

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- 11 1. Aviation fuels receive onsite treatment with fuel system 12 icing inhibitors;
  - 2. Aviation fuel is delivered by a publicly or privately owned fixed-base operator; and
  - 3. Any aircraft fuel delivery vehicle or ground service equipment that uses diesel exhaust fluid is operated within 150 feet of any aircraft,

shall require a diesel exhaust fluid safety mitigation and exclusion plan for each fixed-base operator that performs onsite treatment of aviation fuel with a fuel system icing inhibitor.

- (b) The plan must include, at a minimum:
- 1. A full inventory of all the fixed-base operator's diesel exhaust fluid on the premises of the airport.
- 2. Designation of specific areas where the fixed-base operator's diesel exhaust fluid may be stored on the premises of the airport. To the extent practicable, such areas may not be located within or on a vehicle operated for the fueling or servicing of aircraft or at any aviation fuel transfer facility or bulk aviation fuel storage facility.
- 3. Designation of specific areas where diesel exhaust fluid may be added to vehicles. Such areas may not be located in aircraft operating areas.
- 4. Incorporation of best practices for ensuring the proper labeling and storage of diesel exhaust fluid.
- 5. Incorporation of training in the proper use and storage of diesel exhaust fluid for all employees of the fixed-base operator who may come in contact with such fluid in the ordinary course of their duties.

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- 6. Designation of specific areas where the fixed-base operator's fuel system icing inhibitor may be stored on the premises of the airport.
- 7. Incorporation of best practices for ensuring the proper labeling and storage of the fixed-base operator's fuel system icing inhibitor.
- 8. Incorporation of training in the proper use and storage of fuel system icing inhibitors for all employees of the fixedbase operator who may come in contact with fuel system icing inhibitors in the ordinary course of their duties.
- (2) Each public airport must, by January 1, 2022, make the diesel exhaust fluid safety mitigation and exclusion plan for each fixed-based operator available for review during inspections by the Department of Transportation.
- (3) The Department of Transportation shall, by September 1, 2021, convene a workgroup of public airport representatives to develop uniform industry standards based upon the requirements of paragraph (1)(b) and NATA Operational Best Practice No. 36, DEF Handling and Contamination, to ensure consistency of industry standards.
- (4) The Department of Transportation may adopt rules to develop a uniform industry standards form for the diesel exhaust fluid safety mitigation and exclusion plan based upon the recommendations provided by the workgroup pursuant to subsection(3).

Section 2. This act shall take effect July 1, 2021.

67 ======== T I T L E A M E N D M E N T ========= 68 And the title is amended as follows:

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Delete everything before the enacting clause and insert:

> An act relating to diesel exhaust fluid; creating s. 330.401, F.S.; requiring specified public airports to

require a diesel exhaust fluid safety mitigation and exclusion plan for certain fixed-base operators; specifying plan requirements; requiring public airports to make such plans available for review during inspections by the Department of Transportation after a specified date; requiring the department to

A bill to be entitled

convene a workgroup of public airport representatives by a specified date to develop specified uniform industry standards; authorizing the department to

adopt rules; providing an effective date.

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By Senator Albritton

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A bill to be entitled

An act relating to diesel exhaust fluid; creating s. 330.401, F.S.; requiring the governing body of each public airport that meets certain criteria to create a diesel exhaust fluid safety mitigation and exclusion plan for submission to the Department of Transportation; providing plan requirements; requiring an annual certification of compliance; providing an effective date.

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

Section 1. Section 330.401, Florida Statutes, is created to read:

330.401 Diesel exhaust fluid safety mitigation and exclusion plan; certification.—

(1) (a) The governing body of each public airport as defined in s. 330.27 at which:

- 1. Aviation fuels receive onsite treatment with fuel system icing inhibitors;
- $\frac{\hbox{3. Any aircraft fuel delivery vehicle or ground service}}{\hbox{equipment that uses diesel exhaust fluid is operated within $150$} \\ \frac{\hbox{feet of any aircraft}}{\hbox{feet of any aircraft}}$

shall create a diesel exhaust fluid safety mitigation and exclusion plan for each fixed-base operator that performs onsite treatment of aviation fuel with a fuel system icing inhibitor.

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 ${\bf CODING:}$  Words  ${\bf stricken}$  are deletions; words  ${\bf \underline{underlined}}$  are additions.

Florida Senate - 2021 SB 1082

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30	(b) The plan must include, at a minimum:
31	1. A full inventory of all the fixed-base operator's diesel
32	exhaust fluid on the premises of the airport.
33	2. Designation of specific areas where the fixed-base
34	operator's diesel exhaust fluid may be stored on the premises of
35	the airport. To the extent practicable, such areas may not be
36	located within or on a vehicle operated for the fueling or
37	servicing of aircraft or at any aviation fuel transfer facility
38	or bulk aviation fuel storage facility.
39	3. Designation of specific areas where diesel exhaust fluid
40	may be added to vehicles. Such areas may not be located in
41	aircraft operating areas.
42	4. Incorporation of best practices for ensuring the proper
43	labeling and storage of diesel exhaust fluid.
44	5. Incorporation of training in the proper use and storage
45	of diesel exhaust fluid for all employees of the fixed-base
46	operator who may come in contact with such fluid in the ordinary
47	course of their duties.
48	6. Designation of specific areas where the fixed-base
49	operator's fuel system icing inhibitor may be stored on the
50	<pre>premises of the airport.</pre>
51	$\overline{\mbox{9.0}}$ Incorporation of best practices for ensuring the proper
52	labeling and storage of the fixed-base operator's fuel system
53	icing inhibitor.
54	8. Incorporation of training in the proper use and storage
55	of fuel system icing inhibitors for all employees of the fixed-
56	base operator who may come in contact with fuel system icing
57	inhibitors in the ordinary course of their duties.

Page 2 of 3

9. Physical measures to secure fuel system icing inhibitor

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fill points on the fixed-base operator's aircraft fuel delivery
vehicles. Such measures shall prevent the addition of any fluid
to the fuel system icing inhibitor fill point by unauthorized
personnel.
(2) The diesel exhaust fluid safety mitigation and
exclusion plan must be approved by the governing body by
September 1, 2021. The governing body must, by October 1, 2021,
submit the plan to the Department of Transportation and certify
that all diesel exhaust fluid has been secured within the
premises of the airport.
(3) The diesel exhaust fluid safety mitigation and
exclusion plan must be fully implemented on the premises of each
airport by January 1, 2022.
(4) By January 1 of each year, beginning in 2023, each
public airport must certify to the department the airport's
<pre>public airport must certify to the department the airport's compliance with its diesel exhaust fluid safety mitigation and</pre>

26-00955-21

Page 3 of 3

# 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.)

CS/SB 1194		
Γransportation Committee an	d Senator Hooper	
Γransportation		
March 24, 2021 REVISI	ED:	
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## Please see Section IX. for Additional Information:

**COMMITTEE SUBSTITUTE - Substantial Changes** 

## I. Summary:

CS/SB 1194 contains various transportation-related provisions, including:

- Precluding a governmental entity from prohibiting a bid relating to the entity's procurement
  of certain contractual services from a vendor possessing a valid certificate of qualification
  from the Florida Department of Transportation (FDOT) relating to certain road and bridge
  construction contracts or a license relating to construction, electrical and alarm, or septic tank
  contracting corresponding to the services being procured.
- Authorizing construction equipment in a work zone on roadways with a posted speed limit of 55 miles per hour or higher to display a combination of flashing green, amber, and red lights during periods when workers are present.
- Authorizing flashing lights on vehicles during periods of extremely low visibility on roadways posted with a speed limit of 55 miles per hour or more.
- Revising provisions relating to an annual cap on the FDOT's authorization to enter into contracts for innovative transportation projects.
- Amending financial statement requirements relating to applications for certificates of qualification to bid on contracts for the performance of work for the FDOT under certain construction contracts.
- Excluding certain airports from the prohibition against the same entity performing design and performing construction engineering and inspection services on a project funded by the FDOT and administered by a local governmental entity

• Substantially revising provisions relating to the State Arbitration Board, which hears claims for additional compensation arising out of construction and maintenance contracts between the FDOT and its contractors.

- Prohibiting the FDOT, and its contractors and subcontractors, from purchasing or using specified substances extracted from a borrow pit unless certification is provided by the operator showing the borrow pit is in compliance with certain existing requirements, and provides proof of currently valid permits required by the Florida Department of Environmental Protection and the appropriate water management district.
- Requiring the FDOT, if it determines substances are being obtained and used from a non-compliant borrow pit, to cease accepting any substances within 48 hours. The FDOT may resume acceptance of substances from the borrow pit once the pit is in compliance.
- Defining the term "borrow pit" and requiring a borrow pit operator to provide a notice of intent to extract to the FDEP.

The bill does not appear to impact state and local revenues but may present other fiscal impacts. See the "Fiscal Impact Statement" for further information.

The bill takes effect July 1, 2021.

#### II. Present Situation:

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

#### III. Effect of Proposed Changes:

**Procurement of Public Construction Services (Section 1)** 

#### Present Situation

**Procurement Methods** 

Chapter 287, F.S., sets out provisions governing agency<sup>1</sup> procurement of personal property and services. Agencies may use different methods, depending on the cost and characteristics of the goods or services being procured, which include:

<sup>&</sup>lt;sup>1</sup> "Agency" is defined as "any of the various state officers, departments, boards, commissions, divisions, bureaus, and councils and any other unit of organization, however designated, of the executive branch of state government," but does not include university and college boards of trustees or the state universities and colleges. Section 287.012(1), F.S.

• Invitations to bid, used when an agency is capable of specifically defining the scope of work for which a contractual service<sup>2</sup> is required or of establishing precise specifications defining the actual commodity or group of commodities required.<sup>3</sup>

- Requests for proposals, used when the purposes and uses for which the commodity, group of
  commodities, or contractual service being sought can be specifically defined and the agency
  is capable of identifying necessary deliverables. Responsive vendors may propose various
  combinations or versions of commodities or contractual services to meet the agency's
  specifications.<sup>4</sup>
- Invitations to negotiate, used to determine the best method for achieving a specific goal or solving a particular problem. This procurement method identifies one or more responsive vendors with which the agency may negotiate to receive the best value.<sup>5</sup>
- Single source contracts, used when an agency determines that only one vendor is available to provide a commodity or service at the time of purchase, and which may be excepted from competitive-solicitation requirements.<sup>6</sup>

#### FDOT Certificate of Qualification

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.<sup>7</sup> Those rules, as currently required, 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 and apply to applicants seeking to bid for the performance of road, bridge, or public transportation construction contracts in excess of \$250,000.<sup>8</sup>

<sup>&</sup>lt;sup>2</sup> "Contractual service" is defined to mean "the rendering by a contractor of its time and effort rather than the furnishing of specific commodities. The term applies only to those services rendered by individuals and firms who are independent contractors, and such services may include, but are not limited to, evaluations; consultations; maintenance; accounting; security; management systems; management consulting; educational training programs; research and development studies or reports on the findings of consultants engaged thereunder; and professional, technical, and social services. The term does not include a contract for the furnishing of labor or materials for the construction, renovation, repair, modification, or demolition of a facility, building, portion of building, utility, park, parking lot, or structure or other improvement to real property entered into pursuant to chapter 255 and rules adopted thereunder."

<sup>&</sup>lt;sup>3</sup> Section 287.057(1)(a), F.S. "Commodity" is defined to mean ""Commodity" means any of the various supplies, materials, goods, merchandise, food, equipment, information technology, and other personal property, including a mobile home, trailer, or other portable structure that has less than 5,000 square feet of floor space, purchased, leased, or otherwise contracted for by the state and its agencies. The term also includes interest on deferred-payment commodity contracts approved pursuant to s. 287.063 entered into by an agency for the purchase of other commodities. However, commodities purchased for resale are excluded from this definition. Printing of publications shall be considered a commodity if procured pursuant to s. 283.33, whether purchased for resale or not."

<sup>&</sup>lt;sup>4</sup> Section 287.057(1)(b), F.S.

<sup>&</sup>lt;sup>5</sup> Section 287.057(1)(c), F.S.

<sup>&</sup>lt;sup>6</sup> "Competitive solicitation" is defined to mean "the process of requesting and receiving two or more sealed bids, proposals, or replies submitted by responsive vendors in accordance with the terms of a competitive process, regardless of the method of procurement."

<sup>&</sup>lt;sup>7</sup> Rule 14-22, F.A.C.

<sup>&</sup>lt;sup>8</sup> Section 337.14(1), F.S., and Rule 14-22.0011(1), F.A.C.

#### Licensure: Construction, Electrical and Alarm System, and Septic Tank Contracting

Chapter 489, F.S., is administered by the Department of Business and Professional Regulation and, in general, requires licensure of various types of contractors before contracting to perform work of the type for which they are licensed.<sup>9</sup>

#### Effect of Proposed Changes

Section 1 of the bill creates s. 287.05705, F.S., relating to procurements of road, bridge, and other specified public construction services. The bill, with respect to competitive solicitations for contractual services 11 that are limited to the classes of work for which the FDOT issues certificates of qualification and which services do not involve the construction, remodeling, repair, or improvement of any building, precludes a governmental entity 12 from prohibiting a response to a solicitation by a vendor who possesses a valid FDOT certificate of qualification or a license under ch. 489, F.S., corresponding to the contractual services being procured.

If a competitive solicitation is limited to the classes of work for which the FDOT issues certificates of qualification and does not involve the construction, remodeling, repair, or improvement of any building, or if a vendor holds an FDOT certificate of qualification or license under ch. 489, F.S., corresponding to the contractual service being procured, the procuring governmental entity may not prohibit a vendor from responding (*e.g.*, submitting a bid or proposal) to that entity's competitive solicitation. The bill applies these provisions to all competitive solicitations issued by a governmental entity on or after October 1, 2021.

#### **Lights on Vehicles (Section 2)**

#### **Present Situation**

Current law generally prohibits a person from driving or causing to be moved any vehicle or equipment on any highway with any lamp or device that displays a red, red and white, or blue light visible from directly in front of such vehicle or equipment, with certain exceptions.<sup>13</sup>

<sup>&</sup>lt;sup>9</sup> Part I of ch. 489, F.S., relating to construction contracting, expressly does not apply to contractors in work on bridges, roads, streets, highways, or railroads, and services incidental thereto. The Construction Industry Licensing Board, in agreement with the FDOT as directed by s. 489.103(1), F.S., for purposes of that subsection only, defines "services incidental thereto" to mean "all work on bridges, roads, streets, highways, and railroads except building construction and those subcontractor categories, defined in Sections 489.105(3)(d)-(q), F.S. However, notwithstanding the previous provision, services incidental thereto specifically includes storm drainage and excavation work necessary for the construction of bridges, roads, streets, highways, and railroads; and includes directly contracting with a governmental entity for work on bridges, roads, street, highways, and railroads when any building construction included in the contract is subcontracted to a contractor appropriately licensed under Chapter 489, Part I, F.S., to perform building construction or those subcontractor categories defined in Sections 489.105(3)(d)-(q), F.S., and such building construction does not constitute more than fifty (50) percent of the total contract amount." Rule 61G-4-12.011(9), F.A.C.

<sup>&</sup>lt;sup>10</sup> Supra note 6.

<sup>&</sup>lt;sup>11</sup> Supra note 2.

<sup>&</sup>lt;sup>12</sup> "Governmental entity" is defined to mean "a political subdivision or agency of this state or of any state of the United States, including, but not limited to, state government, county, municipality, school district, nonprofit public university or college, single-purpose or multipurpose special district, single-purpose or multipurpose public authority, metropolitan or consolidated government, separate legal entity or administrative entity, or any agency of the Federal Government." Section 287.012(14), F.S.

<sup>&</sup>lt;sup>13</sup> Section 316.2397(1), F.S.

The display of blue lights on any vehicle or equipment is prohibited, except police vehicles and vehicles owned, operated, or leased by the Florida Department of Corrections (FDOC) or any county correctional agency when responding to emergencies.<sup>14</sup>

The display of flashing lights on vehicles is also prohibited, except: 15

- As a means of indicating a right or left turn, to change lanes, or to indicate that the vehicles is lawfully stopped or disabled upon the highway.
- When a motorist intermittently flashes his or her vehicles' headlamps at an oncoming vehicle notwithstanding the motorist's intent for doing so.
- Flashing blue lights on police, FDOC, or county correctional agency vehicles.
- Flashing red or red and white lights on vehicles such as those of a fire department, medical staff or facilities, and ambulances.
- Flashing amber lights on road or street maintenance equipment, road or street maintenance vehicles, road service vehicles, refuse collection vehicles, petroleum tankers, and mail carrier vehicles when in operation or a hazard exists, and on commercial motor vehicles or trailers designed to transport unprocessed logs or pulpwood.
- Flashing white lights or flashing white strobe lights on road maintenance and construction equipment and vehicles when in operation and where a hazard exists, and on school buses and vehicles used to transport farm workers.
- Flashing red lights on emergency response vehicles used by the Fish and Wildlife Conservation Commission, the FDEP, and the Department of Health when responding to an emergency in the line of duty.
- Flashing white and red lights on bicycles and bicycle riders.
- Additional flashing lights authorized under s. 316.235, F.S., relating to additionally authorized lighting equipment on vehicles.

#### Effect of Proposed Changes

Section 2 amends s. 316.2397, F.S., to authorize on roadways with a posted speed limit of 55 miles per hour or more:

- Flashing green, amber, and red lights on construction equipment within a work zone during periods when workers are present.
- Flashing lights on vehicles during periods of extremely low visibility.<sup>17</sup>

<sup>&</sup>lt;sup>14</sup> Section 316.2397(2), F.S.

<sup>&</sup>lt;sup>15</sup> Section 316.2397(7), F.S.

<sup>&</sup>lt;sup>16</sup> Section 316.003(105) defines "work zone *area*" to mean "the area and its approaches on any state-maintained highway, county-maintained highway, or municipal street where construction, repair, maintenance, or other street-related or highway-related work is being performed or where one or more lanes are closed to traffic.

<sup>&</sup>lt;sup>17</sup> With the exception of vehicles in funeral processions as provided in 315.1974(4)(c), F.S., Florida law does not expressly authorize the use of hazard lights on moving vehicles. The Florida Driver Handbook indicates that a driver should not use emergency flashers in instances of low visibility or rain, and may only use emergency flashers when a vehicle is disabled or stopped on the side of the road. Department of Highway Safety and Motor Vehicles, *Florida Driver Handbook*, at p. 48, available at Department of Highway Safety and Motor Vehicles, *Florida Driver Handbook*, available at: (last visited March 17, 2021).

#### **Innovative Transportation Projects (Section 3)**

#### **Present Situation**

The FDOT is currently authorized<sup>18</sup> to establish a program for transportation projects that demonstrate innovative techniques of highway and bridge design, construction, maintenance, and finance having the intended effect of measuring resiliency and structural integrity and controlling time and cost increases on construction projects. These techniques may include, but are not limited to, state-of-the-art technology for pavement, safety, and other aspects of highway and bridge design, construction, and maintenance; innovative bidding and financing techniques; accelerated construction procedures; and techniques that have the potential to reduce project life cycle costs. To the maximum extent practical, the FDOT must use existing processes to award and administer construction and maintenance contracts.

When specific innovative techniques are to be used, the FDOT is not required to adhere to provisions of law that would prevent it from using the innovative technique. However, before using an innovative technique that is inconsistent with another provision of law, the FDOT must document the need for the exception and identify the benefits the traveling public and the affected communities are anticipated to receive.

The FDOT may enter into no more than \$120 million in contracts annually for the purposes of innovative transportation projects.<sup>19</sup> This annual cap on contracts for innovative transportation projects does not apply to:

- Turnpike Enterprise projects.
- Transportation projects funded by the American Recovery and Reinvestment Act of 2009.

Section 337.11(7), F.S., authorizes the FDOT to combine the design and construction phases of a building, a major bridge, a limited access facility, or a rail corridor project into a single contract, referred to as a design-build contract. The FDOT refers to these contracts as "major design-build contracts," which are *not* included in the \$120 million annual cap for innovative transportation projects.<sup>20</sup>

However, according to the FDOT, "minor design-build contracts are defined as those projects not authorized under s. 337.11(7), F.S.,"<sup>21</sup> or "bridges under \$10 million and other transportation projects (resurfacing)."<sup>22</sup> These contracts *are* counted towards the \$120 million annual cap. The FDOT's work program instructions indicate, "The resurfacing program deals with improvements to the structural condition of existing pavements on the State Highway System (SHS), including the interstate and turnpike enterprise. This program provides for pavement resurfacing, rehabilitation, minor reconstruction, and pavement milling and recycling. Such projects are

<sup>&</sup>lt;sup>18</sup> Section 337.025(1), F.S.

<sup>&</sup>lt;sup>19</sup> Section 337.025(2), F.S.

<sup>&</sup>lt;sup>20</sup> FDOT Construction, *Design-Build Major*, available at

https://www.fdot.gov/construction/AltContract/General/DBMajor.shtm (last visited March 17, 2021).

<sup>&</sup>lt;sup>21</sup> See the FDOT Work Program Instructions FY 21/22 – 25/26, September 18, 2020, at p. 348, available at <a href="https://fdotewp1.dot.state.fl.us/fmsupportapps/Documents/development/WorkProgramInstructions.pdf">https://fdotewp1.dot.state.fl.us/fmsupportapps/Documents/development/WorkProgramInstructions.pdf</a> (last visited March 17, 2021).

<sup>&</sup>lt;sup>22</sup> FDOT Construction, *Design-Build Minor*, available at <a href="https://www.fdot.gov/construction/AltContract/General/DBMinor.shtm">https://www.fdot.gov/construction/AltContract/General/DBMinor.shtm</a> (last visited March 17, 2021).

intended to preserve the structural integrity of highway pavements. ... Major construction or reconstruction projects, such as adding lanes and bridge replacements, are not included in the resurfacing program."<sup>23</sup> Whether all low-bid milling and resurfacing contracts are "innovative," even with the design-build element, is unclear.

#### Effect of Proposed Changes

Section 3 amends s. 337.025, F.S., to remove redundant language relative to exclusion of Turnpike Enterprise projects, and obsolete language relative to exclusion of transportation projects funded by the American Recovery and Reinvestment Act of 2009, from the annual \$120 million cap; and to exclude low-bid design-build milling and resurfacing contracts from the annual cap.

The annual cap does not apply to Turnpike Enterprise projects under current law and under the bill. The annual cap, under the bill, also does not apply to low-bid design-build milling and resurfacing contracts. Such contracts would not be counted toward the annual cap for innovative transportation projects, possibly resulting in increased opportunities for the FDOT to engage in truly innovative transportation projects.

#### FDOT Certificates of Qualification (Section 5)

#### Present Situation

#### **Contractor Certification**

Any contractor desiring to bid for the performance of any FDOT construction contract in excess of \$250,000 must first be certified by the FDOT as qualified to perform the specific class of work for which the contractor seeks certification.<sup>24</sup> A contractor who is not already qualified and in good standing with the FDOT as of January 1, 2019, and who desires to bid on FDOT contracts in excess of \$50 million must have satisfactorily completed two projects, each in excess of \$15 million, for the FDOT or for any other state's department of transportation.<sup>25</sup>

When 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<sup>26</sup> and an updated application. Each required annual or interim financial statement must be audited and accompanied by the opinion of a certified public accountant.<sup>27</sup>

<sup>&</sup>lt;sup>23</sup> Supra note 22 at p. 288.

<sup>&</sup>lt;sup>24</sup> Section 337.14(1). F.S.

<sup>&</sup>lt;sup>25</sup> *Id*.

<sup>&</sup>lt;sup>26</sup> The interim statement 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>27</sup> *Id.* 

#### **Contractor Maximum Capacity Rating**

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>28</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.<sup>29</sup>

According to the FDOT's rules, the MCR is established by a formula, one element of which is the "ability factor." For example, for new applicants and applicants not qualified under the rule for more than two years, the "ability score" determines the ability factor, which is determined from the total ability score resulting from evaluations of the applicant's organization, management, work experience, and letters of recommendation. <sup>31</sup>

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 does not affect expiration of the certificate.<sup>32</sup>

#### Effect of Proposed Changes

Section 5 amends s. 337.14(1) and (4), F.S., to clarify that any contractor desiring to bid on contracts in excess of \$50 million must first be certified by the FDOT as qualified, in addition to the existing requirement relating to satisfactory completion of two projects, each in excess of \$15 million.

The bill requires each application for certification to be accompanied by *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 applying contractor's audited, certified financial statements must specifically address the applying contractor and must have been prepared within the immediately preceding 12 months. The FDOT may not consider any financial information relating to the parent entity of the applying contractor, if any, and may not certify as qualified any applying contractor that fails to submit the required audited, certified financial statements.

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

<sup>&</sup>lt;sup>29</sup> Id.

<sup>&</sup>lt;sup>30</sup> Rule 14.22-003(2), F.A.C.

<sup>&</sup>lt;sup>31</sup> Id.

<sup>&</sup>lt;sup>32</sup> Section 337.14(4), F.S.

If the application or the annual financial statement shows the applying contractor's financial condition more than four months before the date on which the FDOT receives the application, the applying contractor must also submit interim *audited*, *certified* financial statements prepared in accordance with generally accepted accounting and auditing principles and standards by a certified public accountant licensed in this state or another state.

The bill provides that submission of an application *and subsequent approval* do not affect expiration of a contractor's certificate of qualification and, additionally, do not affect a contractor's ability factor or the maximum capacity rating.

#### **Construction, Engineering, and Inspection Services (Section 5)**

Construction, engineering, and inspection (CEI) services include the activities required to review and inspect highway and bridge construction performed by a construction contractor for compliance with contract requirements. These services are critical to ensuring the safety of the traveling public.

Currently, a contractor<sup>33</sup> or affiliate<sup>34</sup> holding an FDOT certification of qualification may not also qualify to provide testing services, or construction, engineering, and inspection (CEI) services to the FDOT in connection with a construction contract under which the contractor is performing any work.<sup>35</sup> Simply stated, the contractor is prohibited from performing both the construction work *and* the CEI services on the same project, to avoid any conflict of interest that may arise in inspecting one's own work.<sup>36</sup>

Legislation enacted in 2019<sup>37</sup> re-stated the prohibition with respect to projects funded by the FDOT and administered by a local governmental entity; *i.e.*, that the entity performing design services and CEI services may not be the same entity. Specified seaports<sup>38</sup> were made exempt from the prohibition in that legislation, but airports were not.

<sup>&</sup>lt;sup>33</sup> Defined in s. 337.165(1)d), F.S., to mean "any person who bids or applies to bid on work let by the department or any counterpart agency of any other state or of the Federal Government or who provides professional services to the department or other such agency. The term "contractor" includes the officers, directors, executives, shareholders active in management, employees, and agents of the contractor."

<sup>&</sup>lt;sup>34</sup> Defined in s. 337.165(1)(a), F.S., to mean "a predecessor or successor of a contractor under the same, or substantially the same, control or a group of business entities which are connected or associated so that one entity controls or has the power to control each of the other business entities. The term "affiliate" includes the officers, directors, executives, shareholders active in management, employees, and agents of the affiliate. The ownership by one business entity of a controlling interest in another business entity or a pooling of equipment or income among business entities shall be prima facie evidence that one business entity is an affiliate of another."

<sup>&</sup>lt;sup>35</sup> Section 337.14(7), F.S.

<sup>&</sup>lt;sup>36</sup> This limitation does not apply to any design-build prequalification pursuant to s. 337.11(7), F.S., and does not apply when the FDOT otherwise determines by written order entered at least 30 days before advertisement that the limitation is not in the public's best interests with respect to a particular contract for testing services or CEI services.

<sup>&</sup>lt;sup>37</sup> Ch. 2019-153, L.O.F.

<sup>&</sup>lt;sup>38</sup> Those listed in s. 311.09, which include the ports of Jacksonville, Port Canaveral, Port Citrus, Fort Pierce, Palm Beach, Port Everglades, Miami, Port Manatee, St. Petersburg, Tampa, Port St. Joe, Panama City, Pensacola, key West, and Fernandina.

According to the Florida Airports Council, the current prohibition increases airport project construction costs, lengthens project schedules due to additional coordination with consultants, and reduces project efficiency. Further:

- Florida airports leverage many different delivery methods for conducting CEI activities, depending on the project.
- Airports deliver more than road projects, such as building, hangars, ramps, and runways, and the CEI methods and processes the FDOT uses do not accommodate airport construction projects.
- "Airports need to remain agile with the many types of projects that they deliver, particularly
  as it pertains to the unique and specialized nature of airport projects, to ensure that each
  project is completed safely, timely and cost effectively."<sup>39</sup>

#### Effect of Proposed Changes

Section 5 amends s. 337.14(7), F.S., to provide that with respect to projects funded by the FDOT and administered by a local governmental entity, airports as defined in s. 332.004, F.S., 40 are likewise exempt from the prohibition against the same entity performing design services and CEI services.

#### **State Arbitration Board (Section 6)**

#### **Present Situation**

Current law creates the State Arbitration Board (SAB) within the FDOT to facilitate the prompt settlement of claims<sup>41</sup> for additional compensation arising out of construction and maintenance contracts between the FDOT and its various contractors.<sup>42</sup> Every contractual claim in an amount up to \$250,000 per contract or, at the claimant's option, up to \$1 million per contract or, upon agreement of the parties, up to \$2 million per contract, which cannot be resolved by negotiation between the FDOT and the contractor must be arbitrated by the SAB after the FDOT's acceptance of the project. However, either party may request that the claim be submitted to binding private arbitration. A court of law may not consider the settlement of a claim until the SAB process has been exhausted.<sup>43</sup>

The SAB is composed of three members: one member is appointed by the head of the FDOT;<sup>44</sup> one member is elected by those construction or maintenance companies who are under contract with the FDOT; and the third member is chosen by agreement of the other two members. Whenever the third member has a conflict of interest regarding an affiliation with one of the parties, the other two members select an alternate member for that hearing. The FDOT secretary may select an alternative or substitute to serve as the FDOT's member for any hearing or term.

<sup>&</sup>lt;sup>39</sup> See email to House committee staff relating to HB 1441 (2020) (on file in the Senate Transportation Committee).

<sup>&</sup>lt;sup>40</sup> That section defines the term "airport" to mean "any area of land or water, or any manmade object or facility located therein, which is used, or intended for public use, for the landing and takeoff of aircraft, and any appurtenant areas which are used, or intended for public use, for airport buildings or other airport facilities or rights-of-way.

<sup>&</sup>lt;sup>41</sup> For the purpose of s. 337.185, F.S., the term "claim" means the aggregate of all outstanding claims by a party arising out of a construction or maintenance contract.

<sup>&</sup>lt;sup>42</sup> Section 337.185(1), F.S.

<sup>&</sup>lt;sup>43</sup> Section 337.185(1), F.S.

<sup>&</sup>lt;sup>44</sup> The head of the FDOT is the Secretary of Transportation.

Each member serves a two-year term. The SAB elects a chair, each term, who is the administrator of the SAB and custodian of its records.<sup>45</sup>

An arbitration hearing may be requested by the FDOT or by a contractor who has a dispute with the FDOT.<sup>46</sup> For all contracts entered into after June 30, 1993, the request must be made to the SAB within 820 days after the final acceptance of the work. The SAB must conduct the hearing within 45 days of the request. The party requesting the SAB's consideration must give notice of the hearing to each SAB member. If the SAB finds that a third party is necessary to resolve the dispute, the SAB may vote to dismiss the claim, which may thereafter be pursued in accordance with Florida law.<sup>47</sup> All members must be present to conduct a meeting. Upon being called into session, the SAB must promptly proceed to a determination of the issue or issues in dispute.<sup>48</sup>

When a valid contract is in effect defining the rights, duties, and liabilities of the parties with respect to any matter in dispute, the SAB may only determine the proper interpretation and application of the appropriate contract provisions. Any investigation made by less than the whole membership of the SAB must be by authority of a written directive by the chair, and the investigation must be summarized in writing and considered by the SAB as part of the record of its proceedings. The SAB must hand down its order within 60 days after it is called into session. If all three SAB members do not agree, the order of the majority constitutes the order of the SAB.

The SAB members may receive compensation for the performance of their duties from administrative fees received by the SAB, except that an FDOT employee may not receive compensation. The compensation amount is determined by the SAB, but may not exceed \$125 per hour, up to \$1,000 per day for each member authorized to receive compensation. This does not prevent the member elected by construction or maintenance companies from being an employee of an association affiliated with the industry, even if the sole responsibility of that member is service on the SAB. Travel expenses for the industry member may be paid by an industry association, if necessary. The SAB may allocate funds annually for clerical and other administrative services. <sup>51</sup>

The party requesting arbitration must pay a fee to the SAB in accordance with a schedule established by it, to cover the cost of administration and compensation of the SAB, not to exceed:

- \$500 per claim which is \$25,000 or less;
- \$1,000 per claim which is in excess of \$25,000 but not exceeding \$50,000;
- \$1,500 per claim which is in excess of \$50,000 but not exceeding \$100,000;
- \$2,000 per claim which is in excess of \$100,000 but not exceeding \$200,000;

<sup>&</sup>lt;sup>45</sup> Section 337.185(2), F.S.

<sup>&</sup>lt;sup>46</sup> Current State Arbitration Board procedures are available at: https://cdn.ymaws.com/ftba.site-ym.com/resource/resmgr/website\_files/arbitration\_board/11-19-20\_State\_Arbitration\_B.pdf (last visited December 22, 2020).

<sup>&</sup>lt;sup>47</sup> Section 337.185(3), F.S.

<sup>&</sup>lt;sup>48</sup> Section 337.185(4), F.S.

<sup>&</sup>lt;sup>49</sup> Section 337.185(5), F.S.

<sup>&</sup>lt;sup>50</sup> Section 337.185(6), F.S.

<sup>&</sup>lt;sup>51</sup> Section 337.185(7), F.S.

- \$3,000 per claim which is in excess of \$200,000 but not exceeding \$300,000;
- \$4,000 per claim which is in excess of \$300,000 but not exceeding \$400,000; and
- \$5,000 per claim which is in excess of \$400,000.<sup>52</sup>

The SAB in its order may apportion the above fees, and the cost of recording and preparing a transcript of the hearing, among the parties in accordance with the SAB's finding of liability.<sup>53</sup>

#### **Dispute Resolution Board**

The FDOT advises, however, that by contract specification, it requires its contractors to take any dispute before what is called a Dispute Review Board (DRB) before invoking the SAB process. As described by the FDOT, "When disputes arise in a contract, the following steps are followed:

- Contractor preserves rights by notice to the Department and following the steps in the FDOT 5.12 specification.
- The Contractor and Department are encouraged to work towards resolution of entitlement at project level.
- If project level resolution cannot be achieved then contractor can request DRB ruling.
- Specification requires the DRB be used prior to filing any legal proceeding. Litigation cannot be filed until the contract is complete. Project level DRBs are *not* binding and can be rejected by either party.
- Based on the claim amount and arbitration limit, the contractor can exercise the state arbitration board after the contract is complete. This would yield less exposure of legal fees then full litigation.
- The arbitration board ruling *is* binding.
- The contract can move directly to litigation based on claim amount and arbitration limit or preference to skip arbitration board post final acceptance."<sup>54</sup>

As to DRB member compensation, by agreement between the DRB, the FDOT, and the contractor, each DRB member is paid \$1,300 per day for each day the DRB meets for regularly scheduled project meetings and includes salary and all expenses related to membership on the DRB. Any subsequent change in the daily rate must be authorized by a supplemental agreement. The FDOT may authorize in advance additional days for payment to each DRB member or to the DRB chair when the FDOT determines additional compensation is necessary for the DRB or the DRB chair to perform their obligations effectively. <sup>55</sup>

The agreement establishes a per hearing cost of \$9,000 to provide compensation to all DRB members for participation in an actual hearing, with the DRB chair receiving \$3,500 and the other two members receiving \$2,750 each. The FDOT and the contractor equally provide compensation to the DRB for participation in an actual hearing. The FDOT compensates the contractor in the amount of \$4,500 as its contribution to the hearing cost. <sup>56</sup>

<sup>&</sup>lt;sup>52</sup> Section 337.185(8), F.S.

<sup>&</sup>lt;sup>53</sup> Section 337.185(9), F.S.

<sup>&</sup>lt;sup>54</sup> See the FDOT email to committee staff, March 2, 2021 (on file in the Senate Transportation Committee). Emphasis added.

<sup>&</sup>lt;sup>55</sup> See the Dispute Review Board Three Party Agreement, at p. 5 (on file in the Senate Transportation Committee).

<sup>&</sup>lt;sup>56</sup> *Id*.

While hearings are not intended to last longer than a single day, more time is needed in some cases, but "any additional time and/or compensation" is allowed only upon prior written approval of the FDOT and the contractor. If any additional days for the hearing are granted, the applicable rate is the \$3,900 per day regular meeting rate, payment of which is split equally between the FDOT and the contractor.<sup>57</sup>

#### Effect of Proposed Changes

Section 6 substantially revises s. 337.185, F.S., relating to the SAB, and provides the following definitions:

- "Claim" means the aggregate of all outstanding written requests for additional monetary compensation, time, or other adjustments to the contract, the entitlement or impact of which is disputed by the FDOT and could not be resolved by negotiations between the FDOT and the contractor.
- "Contractor" means a person or firm having a contract for rendering services to the FDOT relating to the construction or maintenance of a transportation facility.
- "Final acceptance" means that the contractor has completely performed the work provided for under the contract, the FDOT or its agent has determined that the contractor has satisfactorily completed the work provided for under the contract, and the FDOT or its agent has submitted written notice of final acceptance to the contractor.

The bill requires that every claim of up to \$250,000 per contract that could not be resolved by negotiations between the FDOT and the contractor be arbitrated by the SAB. Authorization for either party to request that a claim be submitted to binding private arbitration is removed. An award issued by the SAB is final and enforceable by a court of law.

A contractor may submit a claim greater than \$250,000 up to \$1 million per contract or, upon agreement of the parties, up to \$2 million per contract, to be arbitrated by the SAB. An award issued by the SAB is final if a request for a trial de novo<sup>58</sup> is not filed within the time provided by Rule 1.830, Florida Rules of Civil Procedure.<sup>59</sup> At the trial de novo, the court may not admit evidence that there has been an arbitration proceeding, the nature or amount of the award, or any other matter concerning the conduct of the arbitration proceeding, except that testimony given at an arbitration hearing may be used for any purpose otherwise permitted by the Florida Evidence Code.<sup>60</sup> If a request for trial de novo is not filed within the time provided, the award issued by the board is final and enforceable by a court of law.

An arbitration request may not be made to the SAB before final acceptance, but must be made within 820 days after final acceptance. The SAB must still schedule a hearing within 45 days after an arbitration request but, if possible, must now conduct the hearing within 90 days after the request instead of the previous 45-day deadline.

<sup>&</sup>lt;sup>57</sup> *Id*.

<sup>&</sup>lt;sup>58</sup> A trial de novo refers to a new trial on the entire case and is conducted as if there had been no trial in the first instance. https://definitions.uslegal.com/t/trial-de-novo/ (last visited March 18, 2021).

<sup>&</sup>lt;sup>59</sup> Rule 1.830, Florida Rules of Civil Procedure, relates to voluntary binding arbitration. The rule provides that a voluntary binding arbitration decision may be appealed within 30 days after service of the decision on the parties. Appeal is limited to the grounds specified in s. 44.104(10), F.S.

<sup>60</sup> Ch. 90, F.S.

The bill authorizes the SAB to administer oaths and conduct the proceedings as provided by court rules. The bill requires the hearing must be conducted informally, with the presentation of testimony and evidence being kept to a minimum. The bill requires matters to be presented to the arbitrators primarily through the statements and arguments of counsel. The SAB must address the scope of discovery, presentation of testimony, and evidence at a preliminary hearing by considering the size, subject matter, and complexity of the dispute. Any party to the arbitration may petition the SAB, for good cause shown, to issue subpoenas for the attendance of witnesses and the production of books, records, documents, and other evidence at the arbitration and may petition the SAB for orders compelling such attendance and production at the arbitration. Subpoenas must be served and are enforceable in the manner provided by law.

The SAB must issue its award within 45 days after the conclusion of the arbitration hearing (rather than within 60 days after being called into session under current law). If all three members of the board do not agree, the award agreed to by the majority of the board constitutes the award of the board.

The board is still composed of three members who are selected in the same manner as in current law. If the first or second member has a conflict of interest regarding affiliation with one of the parties, the appointing entity must appoint an alternate member for that hearing. If the third member has such a conflict, the first and second members must select an alternate. Each member serves a four-year term, instead of the current two-year term. As under current law, the SAB still elects a chair for each term, and the chair is the SAB administrator and custodian of its records. The presence of all SAB members is required to conduct a meeting, whether in person or via videoconferencing.

The bill requires that SAB members receive compensation from deposits made by the parties based on an estimate of compensation by the SAB, except that, again, an FDOT employee may not receive SAB compensation. All deposits must be held in escrow by the chair in advance of the hearing. Each member eligible for compensation must be compensated at \$200 per hour, up to a maximum of \$1,500 per day (currently not to exceed \$125 per hour up to a maximum of \$1,000 per day), and a member must be reimbursed for the actual cost of his or her travel expenses. The SAB is authorized to allocate funds annually for clerical and other administration services.

The bill effectively maintains the same schedule of filing fees as in current law, based on the dollar amount of a claim, and authorizes the SAB to apportion the filing fees and the cost of recording and preparing a transcript of the hearing among the parties in its award.

#### Borrow Pits (Sections 4, 7, 8 and 9)

#### Present Situation

Currently, the term "borrow pit" is not defined in Florida law.

Part III of Ch. 378, F.S., contains the Resource Extraction Reclamation Act, <sup>61</sup> which prohibits an operator <sup>62</sup> from beginning the process of extracting clay, peat, gravel, sand, or any other solid substance of commercial value found in natural deposits or in the earth, except fuller's earth clay, heavy minerals, limestone, or phosphate, which are regulated elsewhere in Ch. 378, F.S., at a new mine<sup>63</sup> without notifying the secretary of FDEP of the intention to mine.<sup>64</sup> The operator's notice of intent to mine must consist of the operator's estimated life of the mine and the operator's signed acknowledgment of the performance standards provided in s. 378.803, F.S. <sup>65</sup>

The act also provides that after January 1, 1989, all operators of existing mines for the extraction of resources as described above must meet the performance standards provided by s. 378.803, F.S., for any new surface area disturbed at such mines.<sup>66</sup>

Section 378.803, F.S., provides the following performance standards for the reclamation of other resources:<sup>67</sup>

- Reclamation must achieve the stormwater, drainage, wetlands, and other surface and groundwater requirements of DEP and the appropriate water management district.
- The final slopes must be at such an angle as to minimize the possibility of slides and may not exceed the natural angle of repose of the material being mined.
- Provisions for safety to persons, wildlife, and adjoining property must be provided.
- Any overburden and spoil must be left in a configuration which is in accordance with accepted soil conservation practices and which is suitable for the proposed future use of the land.
- Reclamation must be designed to avoid the collection of water in pools which are, or are likely to become, noxious, odious, or foul.
- All reclamation activities must, to the extent possible, be coordinated with resource extraction and in any event must be initiated at the earliest practicable time.
- Reclamation activities must be consistent with all applicable local government ordinances at least as stringent as the criteria and standards contained in s. 378.803, F.S.

#### Effect of Proposed Changes

Section 4 creates s. 337.0262, F.S., to prohibit the FDOT, and any contractor or subcontractor of the FDOT, from purchasing or using any clay, peat, gravel, sand, or other solid substance extracted from a borrow pit as defined above unless:

• The operator certifies to the FDOT, the contractor, or the subcontractor that the borrow pit is in compliance with the notice requirement and the substantive requirements of s. 378.801, F.S..<sup>68</sup> and

<sup>&</sup>lt;sup>61</sup> Section 378.401, F.S.

<sup>&</sup>lt;sup>62</sup> Section 378.403(13), F.S., defines the term "operator" as any person engaged in an operation.

<sup>&</sup>lt;sup>63</sup> Section 348.403(10), F.S., defines the term "mine" as an area of land upon which mining operations have been conducted, are being conducted, or are planned to be conducted, as the term is commonly used in the trade.

<sup>&</sup>lt;sup>64</sup> Section 378.801(1), F.S.

<sup>65</sup> Section 378.801(2), F.S.

<sup>&</sup>lt;sup>66</sup> Section 378.802, F.S.

<sup>&</sup>lt;sup>67</sup> Section 378.403(17), F.S., defines the term "resource" as soil, clay, peat, stone, gravel, sand, limerock, metallic ore, or any other solid substance of commercial value found in natural deposits on or in the earth, except phosphate, which is regulated by part III.

<sup>&</sup>lt;sup>68</sup> Supra notes 65 and 66,

The operator is in compliance with the performance standards described above, including
without limitation, providing proof of currently valid permits required by the FDEP and the
appropriate water management district.

The bill mandates that all contracts and purchase orders executed by the FDOT, and all subcontracts and purchase orders executed by contractors or subcontractors after July 1, 2021, must include specific requirements for compliance with the bill's provisions.

If the FDOT determines that substances are being obtained and used from a borrow pit not in compliance with the bill's provisions, the FDOT is required to cease accepting any substances from that pit within 48 hours but is authorized to resume acceptance once the pit has reestablished compliance with the bill's provisions.

Section 7 amends s. 378.403, F.S., to define the term "borrow pit," meaning an area of land upon which excavation of surface resources has been conducted, is being conducted, or is planned to be conducted, as the term is commonly used in the mining trade, and is not considered a mine. Such resources are limited to soil, organic soil, sand, or clay that can be removed with construction excavating equipment and loaded on a haul truck with no additional processing.

Section 8 amends s. 378.801, F.S., revising the title to address a notice of intent to extract, rather than to mine. The bill prohibits an operator from beginning the operation of a borrow pit (in addition to the current prohibition again beginning the process of extracting clay, peat, gravel, etc.) at a new *location* (instead of at a new mine) without notifying the FDEP secretary of the intent to *extract* (instead of the intent to mine). The operator's notice of intent to *extract* must consist of the operator's estimated life of the *extraction location* (instead of the estimate life of the mine).

Section 9 amends s. 378.802, F.S., revising the title to address existing extraction locations (rather than existing mines). The bill provides that after January 1, 1989, all operators of existing *locations* for the extraction of the resources described in s. 378.801, F.S., to meet the performance standards in s. 378.803, F.S., for any new surface area disturbed at such *locations*.

#### IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

Not applicable. The bill does not appear to require counties or municipalities to spend funds or take action requiring the expenditure of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or reduce the percentage of state tax shared with counties or municipalities.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

#### 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 bill increases hourly compensation for SAB members from \$150 to \$200, and increases the daily maximum compensation from \$1,000 to \$1,500 per member. Both current law and the bill require parties bringing arbitrations to the SAB to pay fees, based on the amount of the dispute, to defray the costs of operating the board. Contractors requesting arbitration through the SAB may experience indeterminate increased costs associated with submitting a claim to the SAB.

To the extent the bill results in contractors believing the new procedural and evidentiary provisions governing SAB proceedings warrant hiring legal counsel, the bill may result in increased costs to contractors in the form of legal representation.

Contractors seeking certificates of qualification may experience indeterminate increased costs associated with the bill's requirements for audited, certified financial statements.

#### C. Government Sector Impact:

As to the increased SAB compensation, the fees are static. The extent of time for which the fees will adequately cover SAB costs is unknown.

Local governments operating airports may experience a reduction in expenditures due to the exemption from the CEI requirements. Any reduction is dependent on project specifics and is therefore indeterminate.

The bill does not otherwise appear to impact state or local government revenues.

#### VI. Technical Deficiencies:

None.

#### VII. Related Issues:

Under the revised SAB provisions, proceedings must be conducted "as provided by court rules." The bill also requires a preliminary hearing not currently required. The FDOT will presumably

continue to require the DRB process, by contract, before a contractor may submit a claim to the SAB. The bill requires SAB hearings to be conducted informally, with the presentation of testimony and evidence kept to a minimum, yet matters are to be presented to the SAB primarily through the statements and arguments of counsel.

#### VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 316.2397, 337.025, 337.14, 337.185, 378.403, 378.801, and 378.802.

This bill creates the following sections of the Florida Statutes: 287.05705 and 337.0262.

#### 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 March 24, 2021:

The committee substitute:

- Authorizes construction equipment in a work zone on roadways with a posted speed limit of 55 miles per hour or higher to display a combination of flashing green, amber, and red lights during periods when workers are present.
- Prohibits the FDOT, and its contractors and subcontractors, from purchasing or using
  specified substances extracted from a borrow pit unless certification is provided by
  the operator showing the borrow pit is in compliance with certain existing
  requirements, and provides proof of currently valid permits required by the FDEP and
  the appropriate water management district.
- Mandates that all contracts and purchase orders executed by the FDOT, and all subcontracts and purchase orders executed by contractors or subcontractors after July 1, 2021, must include specific requirements for compliance with the bill's provisions.
- Requires the FDOT, if it determines substances are being obtained and used from a non-compliant borrow pit, to cease accepting any substances within 48 hours. The FDOT may resume acceptance of substances from the borrow pit once the pit is in compliance.

#### 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 03/25/2021

The Committee on Transportation (Hooper) recommended the following:

#### Senate Amendment (with directory and title amendments)

3 Delete lines 61 - 86

and insert:

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equipment, except police vehicles, to show or display blue lights. However, vehicles owned, operated, or leased by the Department of Corrections or any county correctional agency may show or display blue lights when responding to emergencies.

(5) Road maintenance and construction equipment and vehicles may display flashing white lights or flashing white

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strobe lights when in operation and where a hazard exists. Construction equipment in a work zone on roadways with a posted speed limit of 55 miles per hour or higher may show or display a combination of flashing green, amber, and red lights in conjunction with periods when workers are present. Additionally, school buses and vehicles used to transport farm workers may display flashing white strobe lights. (7) Flashing lights are prohibited on vehicles except: (a) As a means of indicating a right or left turn, to change lanes, or to indicate that the vehicle is lawfully

- stopped or disabled upon the highway;
- (b) When a motorist intermittently flashes his or her vehicle's headlamps at an oncoming vehicle notwithstanding the motorist's intent for doing so;
- (c) During periods of extremely low visibility on roadways with a posted speed limit of 55 miles per hour or higher; and (d)  $\frac{1}{1}$  For the lamps authorized under subsections (1), (2), (3), (4), and (9), s. 316.2065, or s. 316.235(6) which may flash.

===== D I R E C T O R Y C L A U S E A M E N D M E N T ====== And the directory clause is amended as follows:

Delete lines 55 - 58

and insert: 34

> Section 2. Subsections (2), (5), and (7) of section 316.2397, Florida Statutes, are amended to read:

======== T I T L E A M E N D M E N T ======== 38 39

And the title is amended as follows:



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40	Delete line 8	8							
41	and insert:								
42	authorizing v	vehicles	and	equipment	to	show	or	display	
43	flashing								

	LEGISLATIVE ACTION	
Senate		House
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The Committee on Transportation (Hooper) recommended the following:

#### Senate Amendment (with title amendment)

Between lines 122 and 123

insert:

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Section 4. Section 337.0262, Florida Statutes, is created to read:

337.0262 Purchase and use of clay, peat, gravel, sand, or any other solid substance extracted from borrow pits.-

(1) The department, and any contractor or subcontractor of the department, may not purchase or use any clay, peat, gravel,



11 sand, or other solid substance extracted from a borrow pit as 12 defined in s. 378.403 unless: 13 (a) Certification is provided to the department, 14 contractor, or subcontractor by the operator of the borrow pit 15 that it is in compliance with the notice requirements and

substantive requirements of s. 378.801; and

- (b) The operator of the borrow pit is in compliance with the performance standards in s. 378.803, including, but not limited to, providing proof of currently valid permits required by the Department of Environmental Protection and the appropriate water management district.
- (2) All contracts and purchase orders executed by the department, and all subcontracts and purchase orders executed by contractors or subcontractors after July 1, 2021, must include specific requirements for compliance with this section.
- (3) In the event that the department determines that substances are being obtained and used from a borrow pit that is not in compliance with this section, the department must cease to accept any substances from that borrow pit within 48 hours after such determination. The department may resume acceptance of substances from the borrow pit once the borrow pit is in compliance with this section.

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

Between lines 11 and 12

37 insert:

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creating s. 337.0262, F.S.; prohibiting the Department of Transportation and contractors and subcontractors

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of the department from purchasing specified substances from a borrow pit unless specified conditions are satisfied; requiring certain contracts, subcontracts, and purchase orders to require compliance with the prohibition; requiring the department to cease acceptance of substances from a borrow pit under certain conditions; authorizing the department to resume acceptance of such substances under certain conditions;

By Senator Hooper

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16-00746B-21 20211194

A bill to be entitled An act relating to transportation; creating s. 287.05705, F.S.; providing that certain governmental entities may not prohibit certain vendors from responding to competitive solicitations of certain contractual services; providing applicability; amending s. 316.2397, F.S.; revising provisions authorizing vehicles to show or display flashing lights; amending s. 337.025, F.S.; revising the type of transportation project contracts that are subject to an annual cap; revising application of such cap; amending s. 337.14, F.S.; requiring contractors wishing to bid on certain contracts to first be certified by the Department of Transportation as qualified; revising requirements for applying for and issuing a certificate of qualification; providing construction with respect to submission and approval of an application for such certificate; exempting airports from certain restrictions regarding entities performing engineering and inspection services; amending s. 337.185, F.S.; revising and providing definitions; revising requirements for arbitration of certain contracts by the State Arbitration Board; revising requirements regarding arbitration requests, hearings, procedures, and awards; revising membership and meeting requirements; revising compensation of board members; amending s. 378.403, F.S.; defining the term "borrow pit"; amending s. 378.801, F.S.; prohibiting operation of a borrow pit at a new

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30	location without notifying the Secretary of
31	Environmental Protection of the intent to extract;
32	conforming provisions to changes made by the act;
33	amending s. 378.802, F.S.; revising application of
34	provisions to exclude existing locations; providing an
35	effective date.
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37	Be It Enacted by the Legislature of the State of Florida:
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39	Section 1. Section 287.05705, Florida Statutes, is created
40	to read:
41	287.05705 Procurements of road, bridge, and other specified
42	<pre>public construction services</pre>
43	(1) With respect to competitive solicitations for the
44	procurement of contractual services that are limited to the
45	classes of work for which the Department of Transportation
46	issues certificates of qualification pursuant to s. 337.14, and
47	which services do not involve the construction, remodeling,
48	repair, or improvement of any building, a governmental entity
49	procuring such services may not prohibit a response from a
50	vendor possessing a valid certificate of qualification under s.
51	337.14 or license under chapter 489 corresponding to the
52	contractual services being procured.
53	(2) This section applies to all competitive solicitations
54	issued by a governmental entity on or after October 1, 2021.
55	Section 2. Present subsection (10) of section 316.2397,
56	Florida Statutes, is redesignated as subsection (12), new
57	subsections (10) and (11) are added to that section, and
58	subsections (2) and (7) of that section are amended, to read:

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316.2397 Certain lights prohibited; exceptions.-

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- (2) It is expressly prohibited for any vehicle or equipment, except police vehicles and vehicles and equipment specified in subsections (10) and (11), to show or display blue lights. However, vehicles owned, operated, or leased by the Department of Corrections or any county correctional agency may show or display blue lights when responding to emergencies.
  - (7) Flashing lights are prohibited on vehicles except:
- (a) As a means of indicating a right or left turn, to change lanes, or to indicate that the vehicle is lawfully stopped or disabled upon the highway;
- (b) When a motorist intermittently flashes his or her vehicle's headlamps at an oncoming vehicle notwithstanding the motorist's intent for doing so;
- (c) During periods of extremely low visibility on roadways with a posted speed limit of 55 miles per hour or higher; and
  (d) (e) For the lamps authorized under subsections (1), (2), (3), (4), and (9), s. 316.2065, or s. 316.235(6) which may flash.
- (10) Construction vehicles within a work zone on roadways with a posted speed limit of 55 miles per hour or higher may show or display flashing blue lights while performing paving operations or where a hazard exists.
- (11) Under the direction of a law enforcement officer, portable radar speed display units in advance of a work zone on roadways with a posted speed limit of 55 miles per hour or higher may show or display flashing red and blue lights when workers are present.

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

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88 read:

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337.025 Innovative transportation projects; department to establish program.—

(1) The department may establish a program for transportation projects demonstrating innovative techniques of 93 highway and bridge design, construction, maintenance, and finance which have the intended effect of measuring resiliency and structural integrity and controlling time and cost increases 96 on construction projects. Such techniques may include, but are 97 not limited to, state-of-the-art technology for pavement, safety, and other aspects of highway and bridge design, construction, and maintenance; innovative bidding and financing techniques; accelerated construction procedures; and those 100 101 techniques that have the potential to reduce project life cycle costs. To the maximum extent practical, the department must use 103 the existing process to award and administer construction and maintenance contracts. When specific innovative techniques are 104 to be used, the department is not required to adhere to those 105 106 provisions of law that would prevent, preclude, or in any way 107 prohibit the department from using the innovative technique. 108 However, before using an innovative technique that is inconsistent with another provision of law, the department must 110 document in writing the need for the exception and identify what 111 benefits the traveling public and the affected community are 112 anticipated to receive. The department may enter into no more 113 than \$120 million in contracts awarded annually for the purposes 114 authorized by this section. 115

(2) The annual cap on contracts provided in subsection (1)  $\underline{\text{does}}$  shall not apply to:

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(a) Turnpike enterprise projects, and turnpike enterprise projects shall not be counted toward the department's annual cap.

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(b) Low-bid design-build milling and resurfacing contracts

Transportation projects funded by the American Recovery and

Reinvestment Act of 2009.

Section 4. 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) 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 desires to bid on contracts in excess of \$50 million 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

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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
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 the latest
annual financial statement of the applying contractor completed
within the <u>immediately preceding</u> <del>last</del> 12 months. <u>The department</u>
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
<u>subsection.</u> If the application or the annual financial statement
shows the financial condition of the applying contractor more
than 4 months <u>before</u> <del>prior to</del> the date on which the application
is received by the department, the applicant must also submit an
interim <u>audited</u> , certified financial <u>statements prepared in</u>
accordance with generally accepted accounting principles and
auditing standards by a certified public accountant licensed in
this state or another state statement and an updated application
must be submitted. The interim financial statements statement
must cover the period from the end date of the annual statement

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and must show the financial condition of the applying contractor no more than 4 months before prior to the date that the interim financial statements are statement is 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. Each required annual or interim financial statement must be audited and accompanied by the opinion of a certified public accountant. An applying contractor desiring 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 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 the waiver will not endanger public health, safety, or property.

(4) If the applicant is found to possess the prescribed qualifications, the department 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 and subsequent approval do shall not affect

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204 expiration of the certificate of qualification, the ability 205 factor of the applicant, or the maximum capacity rating of the 206 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 208 that the applicant provide the necessary information to complete 209 210 the application or provide the source from which any information 211 in the application may be verified. If the applicant fails to 212 comply with the initial written request within a reasonable 213 period of time as specified therein, the department shall 214 request the information a second time. If the applicant fails to comply with the second request within a reasonable period of 215 time as specified therein, the application shall be denied. 216

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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 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 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

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233	contrary, for a project that is wholly or partially funded by
234	the department and administered by a local governmental entity,
235	except for a seaport listed in s. 311.09 or an airport as
236	defined in s. 332.004, the entity performing design and
237	construction engineering and inspection services may not be the
238	same entity.
239	Section 5. Section 337.185, Florida Statutes, is amended to
240	read:
241	(Substantial rewording of section. See
242	s. 337.185, F.S., for present text.)
243	337.185 State Arbitration Board.—
244	(1) To facilitate the prompt resolution of claims arising
245	out of or in connection with a construction or maintenance
246	contract with the department, the Legislature establishes the
247	State Arbitration Board, referred to in this section as the
248	"board."
249	(2) As used in this section, the term:
250	(a) "Claim" means the aggregate of all outstanding written
251	requests for additional monetary compensation, time, or other
252	adjustments to the contract, the entitlement or impact of which
253	is disputed by the department and could not be resolved by
254	negotiation between the department and the contractor.
255	(b) "Contractor" means a person or firm having a contract
256	for rendering services to the department relating to the
257	construction or maintenance of a transportation facility.
258	(c) "Final acceptance" means that the contractor has
259	completely performed the work provided for under the contract,
260	the department or its agent has determined that the contractor
261	has satisfactorily completed the work provided for under the

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262	contract, and the department or its agent has submitted written
263	notice of final acceptance to the contractor.
264	(3) Every claim in an amount of up to \$250,000 per contract
265	that could not be resolved by negotiation between the department
266	and the contractor must be arbitrated by the board. An award
267	issued by the board pursuant to this section is final and
268	enforceable by a court of law.
269	(4) The contractor may submit a claim greater than \$250,000
270	up to \$1 million per contract or, upon agreement of the parties,
271	up to \$2 million per contract to be arbitrated by the board. An
272	award issued by the board pursuant to this subsection is final
273	if a request for a trial de novo is not filed within the time
274	provided by Rule 1.830, Florida Rules of Civil Procedure. At the
275	trial de novo, the court may not admit evidence that there has
276	been an arbitration proceeding, the nature or amount of the
277	award, or any other matter concerning the conduct of the
278	arbitration proceeding, except that testimony given at an
279	arbitration hearing may be used for any purpose otherwise
280	permitted by the Florida Evidence Code. If a request for trial
281	de novo is not filed within the time provided, the award issued
282	by the board is final and enforceable by a court of law.
283	(5) An arbitration request may not be made to the board
284	before final acceptance but must be made to the board within 820
285	days after final acceptance.
286	(6) The board shall schedule a hearing within 45 days after
287	an arbitration request and, if possible, shall conduct the
288	hearing within 90 days after the request. The board may
289	administer oaths and conduct the proceedings as provided by the
290	rules of the court. The hearing shall be conducted informally.

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291 Presentation of testimony and evidence shall be kept to a 292 minimum, and matters shall be presented to the arbitrators 293 primarily through the statements and arguments of counsel. The 294 board shall address the scope of discovery, presentation of 295 testimony, and evidence at a preliminary hearing by considering 296 the size, subject matter, and complexity of the dispute. Any 297 party to the arbitration may petition the board, for good cause 298 shown, to issue subpoenas for the attendance of witnesses and 299 the production of books, records, documents, and other evidence 300 at the arbitration and may petition the board for orders 301 compelling such attendance and production at the arbitration.

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provided by law.

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(7) The board must issue an award within 45 days after the conclusion of the arbitration hearing. If all three members of the board do not agree, the award agreed to by the majority shall constitute the award of the board.

Subpoenas shall be served and are enforceable in the manner

(8) The board shall be composed of three members. The first member shall be appointed by the Secretary of Transportation, and the second member shall be elected by those construction or maintenance companies that are under contract with the department. The third member shall be chosen by agreement of the first and second members. If the first or second member has a conflict of interest regarding affiliation with one of the parties to an arbitration hearing, the appointing entity shall appoint an alternate member for that hearing. If the third member has such a conflict of interest, the first and second members shall select an alternate member. Each member shall serve a 4-year term. The board shall elect a chair for each

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320	term, who shall be the administrator of the board and custodian
321	of its records.
322	(9) The presence of all board members is required to
323	conduct a meeting in person or via videoconferencing.
324	(10) The members of the board shall receive compensation
325	for the performance of their duties from deposits made by the
326	parties based on an estimate of compensation by the board,
327	except that an employee of the department may not receive
328	compensation from the board. All deposits will be held in escrow
329	by the chair in advance of the hearing. Each member eligible for
330	compensation shall be compensated at \$200 per hour, up to a
331	maximum of \$1,500 per day. A member shall be reimbursed for the
332	actual cost of his or her travel expenses. The board may
333	allocate funds annually for clerical and other administrative
334	services.
335	(11) To cover the cost of administration and initial
336	compensation of the board, the party requesting arbitration
337	shall pay a filing fee to the board, according to a schedule
338	established by the board, of:
339	(a) Up to \$500 for a claim that is \$25,000 or less.
340	(b) Up to \$1,000 for a claim that is more than \$25,000 but
341	<u>is \$50,000 or less.</u>
342	(c) Up to \$1,500 for a claim that is more than \$50,000 but
343	is \$100,000 or less.
344	(d) Up to \$2,000 for a claim that is more than \$100,000 but
345	<u>is \$200,000 or less.</u>
346	(e) Up to \$3,000 for a claim that is more than \$200,000 but
347	<u>is \$300,000 or less.</u>
348	(f) Up to \$4,000 for a claim that is more than \$300,000 but

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is \$400,000 or less.

(g) Up to \$5,000 for a claim that is more than \$400,000.

 $\frac{\text{The board may apportion the filing fees and the cost of}}{\text{recording and preparing a transcript of the hearing among the}}$  parties in its award.

Section 6. Present subsections (3) through (19) of section 378.403, Florida Statutes, are redesignated as subsections (4) through (20), respectively, and a new subsection (3) is added to that section, to read:

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

(3) "Borrow pit" means an area of land upon which excavation of surface resources has been conducted, is being conducted, or is planned to be conducted, as the term is commonly used in the mining trade, and is not considered a mine. Such resources are limited to soil, organic soil, sand, or clay that can be removed with construction excavating equipment and loaded on a haul truck with no additional processing.

Section 7. Section 378.801, Florida Statutes, is amended to read:

378.801 Other resources; notice of intent to  $\underline{\text{extract}}$  mine required.—

(1) An No operator may not begin the operation of a borrow pit, or the process of extracting clay, peat, gravel, sand, or any other solid substance of commercial value found in natural deposits or in the earth, except fuller's earth clay, heavy minerals, limestone, or phosphate, which are regulated elsewhere in this chapter, at a new location mine without notifying the secretary of the intention to extract mine.

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(2) The operator's notice of intent to extract mine shall
consist of the operator's estimated life of the extraction
<u>location</u> mine and the operator's signed acknowledgment of the
performance standards provided by s. 378.803.
Section 8. Section 378.802, Florida Statutes, is amended to
read:
378.802 Existing <u>extraction locations</u> mines.—After January
1, 1989, all operators of existing <u>locations</u> mines for the
extraction of resources as described in s. 378.801 shall meet
the performance standards provided by s. 378.803 for any new
surface area disturbed at such <u>locations</u> mines.
Section 9. This act shall take effect July 1, 2021.

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### YOU MUST PRINT AND DELIVER THIS FORM TO THE ASSIGNED TESTIMONY ROOM

### THE FLORIDA SENATE

March 24, 2021	<b>APPEARA</b>	NCE RECO	<b>RD</b> 1194
Meeting Date			Bill Number (if applicable) 745468
Topic Emergemcy lights on	non-emergency vehicle	S	Amendment Barcode (if applicable)
Name Jennifer Cook Pritt			
Job Title Deputy Executive D	Director		
Address PO Box 14038			Phone 8502193631
Tallahassee	FĹ	32317	Email jpritt@fpca.com
City Speaking: For Again	State Information		peaking: In Support Against ir will read this information into the record.)
Representing The Florida	a Police Chiefs Associa	ition	
Appearing at request of Chai	r: ☐Yes 🗸 No	Lobbyist regist	ered with Legislature: Yes No
While it is a Senate tradition to enc meeting. Those who do speak may	courage public testimony, ting be asked to limit their remains	ne mav not permit al	persons wishing to speak to be heard at this persons as possible can be heard.
This form is part of the public red	cord for this meeting.		S-001 (10/14/14)

### YOU MUST PRINT AND DELIVER THIS FORM TO THE ASSIGNED TESTIMONY ROOM

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

#### THE FLORIDA SENATE

3/24/2021	PPEARANCE RI	ECORD	SB 1194
Meeting Date			Bill Number (if applicable) 296808
Topic Tranportation ( supporting amei	ndment 296808)		Amendment Barcode (if applicable)
Name Beth Alvi			
Job Title Director of Policy			
Address 208 N. Monroe		Phone <u>850</u>	-9991028
Street Tallahassee		Email beth.	alvi@Audubon.org
		Vaive Speaking:   The Chair will read this i	In Support Against Information into the record.)
Representing Audubon Florida			
Appearing at request of Chair: Ye While it is a Senate tradition to encourage put meeting. Those who do speak may be asked	ם. plic testimony, time may not ג	permit all persons wishir	gislature: Yes No ng to speak to be heard at this ssible can be heard.

S-001 (10/14/14)

#### THE FLORIDA SENATE

### APPEARANCE RECORD

3/24/21	(Deliver BOTH copies of this form to the Senator or S	<u>58 119 4</u>
Meeting Date		Bill Number (if applicable)
Topic TRAN	SPORTATION	Amendment Barcode (if applicable)
Name MARK	MUSSELMAN	
Job Title PRES	IDENT	
	DESOTO PARK DR	Phone 850 -445-6981
Street		Email MM455elmangacafor
City	State	Zip
Speaking: For	Against Information	Waive Speaking: In Support Against (The Chair will read this information into the record.)
Representing _	SPHALT CONTRACTORS	ASSOCIATION OF FLORIDA
Appearing at request		_obbyist registered with Legislature: Yes No
		nay not permit all persons wishing to speak to be heard at this so that as many persons as possible can be heard.

S-001 (10/14/14)

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

## The Florida Senate BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Transportation							
BILL:	SB 1412						
INTRODUCER:	Senator Per	ry					
SUBJECT:	Traffic and	Pedestria	n Safety				
DATE:	March 24, 2	2021	REVISED:				
ANAL	YST	STAFF	DIRECTOR	REFERENCE		ACTION	
1. Price		Vicker	S	TR	<b>Favorable</b>		
2.				ATD			
3.				AP			

#### I. Summary:

SB 1412 seeks to address vehicular and pedestrian safety with respect to pedestrian crosswalks located at any point other than at an intersection with another public highway, street, or road, which are referred to as midblock crosswalks. The bill requires, before installation of a midblock crosswalk on a public highway, street, or road after October 1, 2021, a traffic engineering study to be conducted by a Florida licensed professional engineer which recommends the installation.

Notwithstanding any other law, the bill requires a midblock crosswalk:

- On a public roadway that has a posted speed limit of 30 miles per hour (mph) or more to conform to certain national standards and applicable Florida Department of Transportation (FDOT) standards, and to include a pedestrian-facing sign containing language stating duties applicable to a pedestrian; and
- On a public roadway posted at 29 mph or less, to include a pedestrian-facing sign containing language stating duties applicable to a pedestrian.

By October 1, 2022, the bill requires the FDOT to submit to the federal government a request for authorization to allow certain traffic control devices at midblock crosswalks that use yellow indications to be replaced by red indications. If the request is granted, the state, county, or municipality with jurisdiction, as appropriate, must replace all such traffic control devices having yellow indications with traffic control devices that use red indications, within 12 months after the date of federal authorization. If the request is denied, the jurisdictional entity must remove all such traffic control devices from each midblock crosswalk described in the bill by October 1, 2025.

By October 1, 2024, the entity with jurisdiction over a public roadway with a midblock crosswalk that is in existence on October 1, 2021, must ensure that the crosswalk is controlled by coordinated traffic control signal devices and pedestrian control signals as required under the bill. Alternatively, the entity with jurisdiction may remove any such existing crosswalk.

BILL: SB 1412 Page 2

The bill also provides a finding that the act fulfills an important state interest.

The bill will likely have a significant negative fiscal impact to state and local governments. See "Fiscal Impact Statement" for details.

The bill takes effect October 1, 2021.

#### II. Present Situation:

#### The MUTCD and FDOT Specifications

Traffic control signal devices provide for the control of vehicular and pedestrian traffic. They assign the right-of-way to various traffic movements and influence pedestrian and vehicle traffic flow. When properly designed such devices provide for the orderly movement of traffic, increase the traffic capacity of an intersection, reduce the frequency and severity of crashes, provide for predictable movement of traffic and pedestrians, and interrupt heavy traffic at intervals to permit vehicles and pedestrians to cross safely.<sup>1</sup>

The MUTCD "is a compilation of national standards for all traffic control devices, including road markings, highway signs, and traffic signals." States are currently required to adopt the 2009 edition of the MUTCD (which includes revisions and interim approvals) as the legal state standard for traffic control devices. Florida law requires the FDOT to adopt the MUTCD as the uniform system of traffic control devices for use on the streets and highways of this state. The FDOT has additional specifications that apply to given roadway markings, highway signs, and traffic signals and that are recognized by the Federal Highway Administration.

The MUTCD provides transportation engineers with information necessary to make appropriate decisions regarding the use of all traffic control devices. There are both provisions that are mandatory and provisions that require the use of engineering judgment. Part 4 of the MUTCD addresses highway traffic signals and recites a basic tenant found throughout the MUTCD: "The selection and use of traffic control signals should be based on an engineering study of roadway, traffic, and other conditions." Further, "[e]ngineering judgment should be applied in the review of operating traffic control signals to determine whether the type of installation and the timing program meet the current requirements of all forms of traffic."

#### Midblock Crosswalks

Crosswalks at any location other than at an intersection are referred to as "midblock" crosswalks, crossings, or locations in the MUTCD (and in this analysis). The design treatment of traffic

<sup>&</sup>lt;sup>1</sup> See Federal Highway Administration (FHWA), Manual on Uniform Traffic Control Devices for Streets and Highways, Section 4B.03, available at <a href="https://mutcd.fhwa.dot.gov/pdfs/2009r1r2/part4.pdf">https://mutcd.fhwa.dot.gov/pdfs/2009r1r2/part4.pdf</a> (last visited March 20, 2021).

<sup>&</sup>lt;sup>2</sup> Id., under Current Edition, available at https://mutcd.fhwa.dot.gov/index.htm (last visited March 20, 2021).

 $<sup>^{3}</sup>$  Id.

<sup>&</sup>lt;sup>4</sup> Section 316.0745, F.S.

<sup>&</sup>lt;sup>5</sup> See FHWA, MUTCDs & Traffic Control Devices Information by State, Florida, available at https://mutcd.fhwa.dot.gov/resources/state\_info/florida/fl.htm (last visited March 20, 2021).

<sup>&</sup>lt;sup>6</sup> Supra note 1 at Section 4B.02 available at <a href="https://mutcd.fhwa.dot.gov/pdfs/2009r1r2/part4.pdf">https://mutcd.fhwa.dot.gov/pdfs/2009r1r2/part4.pdf</a> (last visited March 20, 2021).

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control and pedestrian signals takes various forms and can range, for example, from a flashing yellow pedestrian crossing signal to use of full (red, yellow, and green displays) traffic control signals.

The MUTCD contains a number of provisions relating to installing traffic control signals at midblock crosswalks. For example, these provisions direct the entity with jurisdiction over the crosswalk to consider detailed criteria related to:

- The distances to the nearest traffic control signal, side streets, and highways;<sup>7</sup> and
- The number of vehicles using and the number of pedestrians crossing the street per hour.<sup>8</sup>

The MUTCD contains other applicable provisions. However, the focus of the MUTCD is that installation of a traffic control signal at any location, including midblock locations, must be based on an engineering study of traffic conditions, pedestrian characteristics, and physical characteristics of the particular location. The same focus is present in the MUTCD with respect to related pedestrian signals at any location, including midblock locations. "The design and operation of traffic control signals shall take into consideration the needs of pedestrians as well as vehicular traffic."

#### **Rectangular Rapid-Flashing Beacons (RRBFs)**

The FDOT advises, on the State Highway System (SHS), midblock crosswalks are either controlled (pedestrian traffic signal or pedestrian hybrid beacon) or uncontrolled traffic control devices such as pedestrian-activated flashing beacons, rectangular rapid flashing beacons (RRFBs), in-roadway lights, in-street signs, pedestrian warning signs, and/or pedestrian crosswalk markings only. Concerns have been raised about RRFBs at midblock crosswalks which are activated by a pedestrian wishing to cross a roadway but which do not use red indications to warn approaching vehicular traffic of pedestrian presence and to come to a stop. 11

In contrast to pedestrian hybrid beacons<sup>12</sup> that use red indications, an RRFB is "a traffic control device consisting of two rapidly and alternately flashing rectangular *yellow* indications having

<sup>&</sup>lt;sup>7</sup> Section 4D.01 of Chapter 4D of Part 4 of the MUTCD at p. 449, available at https://mutcd.fhwa.dot.gov/pdfs/2009r1r2/part4.pdf (last visited March 21, 2021).

<sup>&</sup>lt;sup>8</sup> Section 4C.05 of Chapter 4C of Part 4 of the MUTCD at p. 442, available at https://mutcd.fhwa.dot.gov/pdfs/2009r1r2/part4.pdf (last visited March 21, 2021).

<sup>&</sup>lt;sup>9</sup> Section 4D.03 of Chapter 4D of Part 4 of the MUTCD at p. 450, available at <a href="https://mutcd.fhwa.dot.gov/pdfs/2009r1r2/part4.pdf">https://mutcd.fhwa.dot.gov/pdfs/2009r1r2/part4.pdf</a> (last visited March 21, 2021).

<sup>&</sup>lt;sup>10</sup> See the FDOT Updated 2021 Analysis of similar HB 1113 at p. 3 (on file in the Senate Transportation Committee).

<sup>&</sup>lt;sup>11</sup> Infra note 27.

<sup>&</sup>lt;sup>12</sup> A pedestrian hybrid beacon is a special type of hybrid beacon used to warn and control traffic at an unsignalized location to assist pedestrians in crossing a street or highway at a marked crosswalk. A pedestrian hybrid beacon may be considered for installation to facilitate pedestrian crossings at a location that does not meet traffic signal warrants, or at a location that meets traffic signal warrants but a decision is made to not install a traffic control signal. If used, pedestrian hybrid beacons must be used in conjunction with signs and pavement markings to warn and control traffic at locations where pedestrians enter or cross a street or highway. A pedestrian hybrid beacon may only be installed at a marked crosswalk. MUTCD at p. 549 available at <a href="https://mutcd.fhwa.dot.gov/pdfs/2009r1r2/mutcd2009r1r2edition.pdf">https://mutcd.fhwa.dot.gov/pdfs/2009r1r2/mutcd2009r1r2edition.pdf</a>. See also Figure 4F-3, showing a graphic of the sequence of a pedestrian hybrid beacon, which uses both yellow and red indications, providing yellow indications upon pedestrian activation to warn approaching traffic and then red indications to warn traffic to stop.

LED array-based pulsing light sources that function as a warning beacon."<sup>13</sup> The FHWA has granted the FDOT interim approval<sup>14</sup> for optional use of certain pedestrian-activated RRFBs at uncontrolled marked crosswalks, including midblock crosswalks,<sup>15</sup> to supplement standard pedestrian and school crossing warning signs, but under specifically detailed conditions.<sup>16</sup> Most relevantly, each RRFB unit must consist of two rapidly flashing rectangular-shaped *yellow* indications with an LED-array-based light source, designed, located, and operated in accordance with additional detailed requirements.<sup>17</sup>

The FHWA granted its approval based in part on a conclusion that "the RRFB offers significant potential safety and cost benefits because it achieves high rates of compliance at a low relative cost in comparison to other more restrictive devices that provide comparable results, such as full midblock signalization or pedestrian hybrid beacons."

The FDOT advises that research and safety studies reflect beneficial results from use of RRFBs (and other uncontrolled traffic control devices) in midblock crosswalks and cites a current survey indicating that of 28 states responding, all allow the use of RRFBs at midblock crosswalks.<sup>18</sup>

## **Pedestrian and Driver Duties**

In general, pedestrians are required by law to obey traffic control signal devices and pedestrian control signals. <sup>19</sup> If sidewalks are provided and no impediment exists to the pedestrian's use of it, a pedestrian is barred from walking on a roadway that is paved for vehicular traffic. <sup>20</sup> Otherwise, when practicable, pedestrians must walk only on the shoulder on the left side of the roadway in relation to the pedestrian's direction of travel, facing traffic that may approach from the opposite direction. <sup>21</sup> A pedestrian may not suddenly leave a curb or other place of safety and walk or run into the path of a vehicle which is so close that it is impossible for the driver to yield. <sup>22</sup> Between intersections at which traffic control signals are in place, a pedestrian may not cross a roadway at any place except at a marked crosswalk. <sup>23</sup> A pedestrian crossing a roadway at any point other than within a marked crosswalk must yield to vehicles. <sup>24</sup>

<sup>&</sup>lt;sup>13</sup> FDOT, Traffic Engineering Manual, Treatments for Pedestrian Crosswalks at Midblock and Unsignalized Intersections, Section 5.2 at 5.2.3, available at traffic-engineering-manual.pdf (windows.net) (last visited March 20, 2021).

<sup>&</sup>lt;sup>14</sup> Interim approval is necessary because, "The RRFB does not meet the current standards for flashing warning beacons as contained in the [] MUTCD, Chapter 4L, which requires a warning beacon to be circular in shape and either 8 or 12 inches in diameter, to flash at a rate of approximately once per second, and to be located no less than 12 inches outside the nearest edge of the warning sign it supplements. The RRFB uses rectangular-shaped high-intensity light-emitting-diode (LED)-based indications, flashes rapidly in a combination wig-wag and simultaneous flash pattern, and may be mounted immediately adjacent to the crossing sign." *Infra* note 16.

<sup>&</sup>lt;sup>15</sup> Any portion of a roadway at an intersection *or elsewhere* distinctly indicated for pedestrian crossing by lines or other markings on the surface. Section 316.003(16)(b), F.S.

<sup>&</sup>lt;sup>16</sup> See Interim Approval 21 – Rectangular Rapid-Flashing Beacons at Crosswalks, available at <a href="https://mutcd.fhwa.dot.gov/resources/interim\_approval/ia21/index.htm">https://mutcd.fhwa.dot.gov/resources/interim\_approval/ia21/index.htm</a> (last visited March 20, 2021). <sup>17</sup> *Id*.

<sup>&</sup>lt;sup>18</sup> Supra note 10.

<sup>&</sup>lt;sup>19</sup> Section 316.130(1) and (2), F.S.

<sup>&</sup>lt;sup>20</sup> Section 316.130(3), F.S.

<sup>&</sup>lt;sup>21</sup> Section 316.130(4), F.S.

<sup>&</sup>lt;sup>22</sup> Section 316.130(8), F.S.

<sup>&</sup>lt;sup>23</sup> Section 316.130(11), F.S.

<sup>&</sup>lt;sup>24</sup> Section 316.130(10), F.S.

A driver of a vehicle must stop for a pedestrian who is walking in the crosswalk when either a traffic control signal or a signage indicates the driver to stop.<sup>25</sup> In the absence of a signal or signage, a driver must yield to a pedestrian who is on the half of the roadway on which the vehicle is traveling, or when the pedestrian is approaching so closely from the opposite half of the roadway as to be in danger.<sup>26</sup> Every driver must exercise due care to avoid colliding with any pedestrian.<sup>27</sup>

# III. Effect of Proposed Changes:

Section 1 cites the act as the "Sophia Nelson Pedestrian Safety Act."

In December of 2019, 12-year-old Sophia Nelson was struck and killed by a vehicle while attempting to cross State Road A1A near Ellwood Avenue in Satellite Beach, using a midblock crosswalk. No criminal charges were brought against the driver due to a lack of any evidence that the driver was operating the vehicle in a dangerous or reckless manner. Sophia is survived by her parents, Mark and Jill Nelson, who have supported legislation relating to mid-block crosswalks to reduce driver confusion and increase pedestrian safety. <sup>28</sup>

Section 2 creates s. 316.0756, F.S., requiring, before installation of a midblock crosswalk on a public highway, street, or road after October 1, 2021, a traffic engineering study to be conducted by a Florida licensed professional engineer which recommends the installation. Notwithstanding any other law, the bill requires:

- A midblock crosswalk on a public highway, street, or road that has a posted speed limit of 30 miles per hour (mph) or more to conform to the requirements of chapters 4D and 4E of the most recent MUTCD and other applicable FDOT standards, manuals, and specifications and must include a pedestrian-facing sign containing language stating duties applicable to a pedestrian, as provided in chapter 316, F.S.
- A midblock crosswalk on a public highway, street, or road posted at 29 mph or less to include a pedestrian-facing sign containing language stating duties applicable to a pedestrian, as provided chapter 316, F.S.

Additionally, the bill requires traffic control signal devices and pedestrian control signals at midblock crosswalks posted at 30 mph or more to be coordinated with traffic control signal devices at intersections adjacent to the crosswalk, and such traffic control signal devices at intersections adjacent to the crosswalk must be taken into consideration as provided in the most recent MUTCD and other applicable FDOT specifications.

By October 1, 2022, the bill requires the FDOT to submit to the federal government a request for authorization to allow yellow RRFB traffic control devices to be replaced by red RRFB traffic control devices. If the request is granted, the jurisdictional entity must replace all yellow RRFB traffic control devices at each midblock crosswalk described in the bill with red RRFB traffic

<sup>&</sup>lt;sup>25</sup> Section 316.130(7), F.S.

 $<sup>^{26}</sup>$  *Id*.

<sup>&</sup>lt;sup>27</sup> Section 316.130(15), F.S.

<sup>&</sup>lt;sup>28</sup> See Florida Today, Sophia Nelson's family forgives driver in fatal A1A crosswalk crash in Satellite Beach, available at Sophia Nelson's family forgives driver in fatal A1A crosswalk crash in Satellite Beach (floridatoday.com) (last visited March 21, 2021).

control devices, within 12 months after the date of federal authorization. If the request is denied, the jurisdictional entity must remove all yellow RRFB traffic control devices from each midblock crosswalk described in the bill by October 1, 2025.

By October 1, 2024, the entity with jurisdiction over a public highway, street, or road with a midblock crosswalk that is in existence on October 1, 2021, shall ensure that the crosswalk is controlled by coordinated traffic control signal devices and pedestrian control signals as required under the bill. Alternatively, the entity with jurisdiction may remove any such existing crosswalk.

According to the FDOT, both controlled and uncontrolled midblock crosswalks on the SHS are "typically justified and installed as a result of a signed and sealed traffic engineering or safety study." To meet the requirements of the MUTCD and the FDOT's standards, a minimum of 133 pedestrians in the peak hour must be present to justify a fully signalized midblock crosswalk. "This requirement typically would not be met for the majority of existing uncontrolled [midblock crosswalks], and therefore the [midblock crosswalks] would be removed from the roadway."<sup>29</sup>

Further, "The Department's efforts would be limited to sites on the [SHS]. Since the Department has very few, if any [midblock crosswalks] on State Roads less than 30 mph, the proposed bill would require removal or retrofit of most, if not all, [midblock crosswalks] on State Roads."<sup>30</sup>

Section 3 includes a Legislative finding and declaration that the act fulfills an important state interest.

The bill takes effect October 1, 2021.

## IV. Constitutional Issues:

## A. Municipality/County Mandates Restrictions:

Article VII, s. 18(a) of the Florida Constitution provides that no county or municipality shall be bound by any general law requiring such county or municipality to spend funds or to take an action requiring the expenditure of funds unless the Legislature has determined that such law fulfills an important state interest and unless, among other exceptions, the expenditure is required to comply with a law that applies to all persons similarly situated, including the state and local governments. The bill applies to both state and local governments and includes a legislative determination that it fulfills an important state interest as required by the Florida Constitution.

## B. Public Records/Open Meetings Issues:

None.

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<sup>&</sup>lt;sup>29</sup> *Supra* note 10 at p. 6.

<sup>&</sup>lt;sup>30</sup> Id.

C. Trust Funds Restrictions:

None.

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:

Unknown.

C. Government Sector Impact:

The number, and the design and treatment, of midblock crosswalks on local roads is unknown. The bill presents an indeterminate but likely significantly negative fiscal impact to counties and municipalities responsible for studying, retrofitting, or removing midblock crosswalks in accordance with the bill's requirements.

The FDOT provided the following estimate with respect to midblock crosswalks on the SHS:

#### Controlled:

- Total with traffic signals = 7
- Total with pedestrian hybrid beacons = 15

## Uncontrolled:

- Total with warning signs and pavement markings only = 83
- Total with yellow circular flashing beacons = 5
- Total with Yellow RFRBs = 231<sup>31</sup>

With respect to cost, the FDOT expects a negative total fiscal impact of approximately \$14.9 million in capital costs and \$159,000 in annual recurring costs.<sup>32</sup>

<sup>&</sup>lt;sup>31</sup> *Supra* note 10 at pp. 4-5.

<sup>&</sup>lt;sup>32</sup> *Id.* at p. 9. *See also* pp. 8-9 for a breakdown of the estimated cost.

#### VI. Technical Deficiencies:

None.

#### VII. Related Issues:

The FDOT advises:

• Pedestrians would have significantly fewer locations to cross State Roads and only be able to legally cross at intersections. Pedestrian travel times may increase generally and specifically at locations retrofitted to full pedestrian traffic signals near adjacent signalized intersections due to the required traffic signal coordination. Connectivity between pedestrian "generators" and "attractors," including some schools, may be disrupted.

On roads with one or more midblock crosswalks, vehicle delay may decrease. However, removing midblock crosswalks and associated countermeasures may increase pedestrian crashes and result in increased pedestrian fatalities and serious injuries. For uncontrolled midblock crosswalks replaced with a pedestrian traffic signal, fatal and serious injury pedestrian crashes may decrease, but less serious rear-end vehicle crashes typically increase with installation of a traffic signal.<sup>33</sup>

# VIII. Statutes Affected:

This bill creates section 316.0756 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.)

None.

B. Amendments:

None.

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

<sup>&</sup>lt;sup>33</sup> *Id*.

Florida Senate - 2021 SB 1412

By Senator Perry

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8-01079C-21 20211412

A bill to be entitled An act relating to traffic and pedestrian safety; providing a short title; creating s. 316.0756, F.S.; requiring a traffic engineering study to be conducted which recommends installation of a specified pedestrian crosswalk before such installation occurs; requiring a pedestrian crosswalk on a public highway, street, or road which is located at any point other than at an intersection with another public highway, street, or road to conform to specified requirements; providing coordination requirements for certain devices and signals; requiring that traffic control signal devices at adjacent intersections be taken into consideration; requiring, by a specified date, the entity with jurisdiction over a public highway, street, or road with a certain pedestrian crosswalk to ensure that the crosswalk conforms to specified requirements; authorizing such entity, alternatively, to remove any such crosswalk; requiring, by a specified date, the Department of Transportation to submit a certain request for authorization to the Federal Government; requiring applicable entities to replace specified traffic control devices within a specified timeframe after the date of federal authorization; requiring applicable entities to remove specified traffic control devices by a specified date under certain conditions; providing a declaration of important state interest; providing an effective date.

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20211412

8-01079C-21

30	Be It Enacted by the Legislature of the State of Florida:
31	
32	Section 1. This act may be cited as the "Sophia Nelson
33	Pedestrian Safety Act."
34	Section 2. Section 316.0756, Florida Statutes, is created
35	to read:
36	316.0756 Traffic control signal devices and pedestrian
37	control signals at crosswalks other than at intersections
38	(1) (a) Before the installation of a pedestrian crosswalk
39	after October 1, 2021, on a public highway, street, or road
40	which is located at any point other than at an intersection with
41	another public highway, street, or road, a traffic engineering
42	study must be conducted by a Florida licensed professional
43	engineer which recommends the installation of such crosswalk.
44	(b) Notwithstanding any law to the contrary:
45	1. A pedestrian crosswalk on a public highway, street, or
46	road that has a posted speed limit of 30 miles per hour or more
47	which is located at any point other than at an intersection with
48	another public highway, street, or road must conform to the
49	requirements of chapters 4D and 4E of the most recent Manual on
50	Uniform Traffic Control Devices and other applicable Department
51	of Transportation standards, manuals, and specifications and
52	must include a pedestrian-facing sign containing language
53	stating duties applicable to a pedestrian, as provided in this
54	<u>chapter.</u>
55	2. A pedestrian crosswalk on a public highway, street, or
56	road that has a posted speed limit of 29 miles per hour or less
57	which is located at any point other than at an intersection with
58	another public highway, street, or road must include a

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pedestrian-facing sign containing language stating duties applicable to a pedestrian, as provided in this chapter.

8.3

- (c) Traffic control signal devices and pedestrian control signals at crosswalk locations described in subparagraph (b)1. must be coordinated with traffic control signal devices at intersections adjacent to the crosswalk, and such traffic control signal devices at intersections adjacent to the crosswalk must be taken into consideration as provided in the most recent Manual on Uniform Traffic Control Devices and other applicable Department of Transportation specifications.
- (2) By October 1, 2024, the entity with jurisdiction over a public highway, street, or road with a crosswalk described in subsection (1) which is in existence on October 1, 2021, shall ensure that such crosswalk is controlled by coordinated traffic control signal devices and pedestrian control signals as required under subsection (1). Alternatively, the entity with jurisdiction may remove any such existing crosswalk.
- (3) By October 1, 2022, the Department of Transportation shall submit to the Federal Government a request for authorization to allow yellow rectangular rapid flashing beacon traffic control devices to be replaced by red rectangular rapid flashing beacon traffic control devices. If the Federal Government grants the request, the applicable entity must replace all yellow rectangular rapid flashing beacon traffic control devices at each crosswalk described in subsection (1) or subsection (2) with red rectangular rapid flashing beacon traffic control devices within 12 months after the date of federal authorization. If the Federal Government denies the request, the applicable entity must remove all yellow

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	8-010/9C-21 20211412					
88	rectangular rapid flashing beacon traffic control devices from					
89	each crosswalk described in subsection (1) or subsection (2) by					
90	October 1, 2025.					
91	Section 3. The Legislature finds and declares that this act					
92	fulfills an important state interest.					
93	Section 4. This act shall take effect October 1, 2021.					

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

# 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.)

	Prepare	ed By: The	Professional St	aff of the Committee	e on Transportatio	n
BILL:	SB 1660					
INTRODUCER:	Senator Burgess					
SUBJECT:	Tampa-Hillsborough County Expressway Authority					
DATE:	March 22, 2	2021	REVISED:			
ANAL	YST	STAF	F DIRECTOR	REFERENCE		ACTION
1. Price		Vickers		TR	<b>Pre-meeting</b>	
2.				ATD		
3.				AP		

# I. Summary:

SB 1660 re-names the Tampa-Hillsborough County Expressway Authority (THEA) as the West Florida Expressway Authority (WFX or authority) and potentially expands the area served by the WFX to include the counties of Citrus, Hernando, Manatee, Pasco, Pinellas, and Polk. The bill directs the WFX to assume governance and control of the existing THEA expressway system, including THEA's assets, personnel, contracts, obligations, liabilities, facilities, and personal property, and to succeed to and assume the powers, responsibilities, and obligations of the former THEA.

## In addition, the bill:

- Revises the composition of the WFX governing board, potentially increasing the board to no more than 13 members as the area served is expanded to the identified counties.
- Authorizes WFX meetings and workshops to be conducted using communications media technology and requires a specified notice for any such meeting or workshop.
- Authorizes the WFX to construct any extensions, additions, or improvements to the system
  or appurtenant facilities, including all necessary approaches, roads, bridges, avenues of
  access, and boulevards, with any changes, modifications, or revisions of any project which
  are deemed desirable and proper.
- Prohibits toll revenues attributable to a toll rate increase for the use of a portion of the
  expressway system that become effective on or after the jurisdiction of the authority is
  expanded to include any one or more expansion counties from being used to construct or
  expand a different portion of the system unless a two-thirds majority of the members of the
  WFX governing board vote to approve such use, with exceptions.
- Removes existing language mandating that interest upon the amount of gasoline tax funds to be repaid to the county (Hillsborough) pursuant to s. 348.60, F.S., relating to LPAs, be paid out of revenues and other available moneys not required to meet the authority's obligations.

• Removes a 20-year limitation on the term of any lease of the authority's property or facilities or of the right to use the property or facilities.

- Authorizes the WFX to enter into partnerships, contracts, and agreements, including without limitation, interlocal agreements, with any federal, state, or local governmental entity with respect to the WFX's purposes.
- Provides that capital projects that the WFX is authorized to acquire, construct, reconstruct, equip, operate, and maintain are approved to be financed or refinanced by revenue bonds, but any such financing may still not pledge the full faith and credit of the state.
- Authorizes the WFX to enter into lease-purchase agreements with a city, a county, or with the FDOT.
- Provides that a duly adopted county commission resolution pledging surplus gasoline tax funds under any LPA may authorize the execution and delivery of an interlocal agreement between the WFX and the county setting forth the terms and provisions for use by the WFX of any such gasoline tax funds.
- Authorizes the WFX to acquire any lands reasonably necessary for securing applicable
  permits, areas necessary for management of access, borrow pits, drainage ditches, water
  retention areas, rest areas, and replacement access for landowners whose access is impaired
  due to the construction of a transportation facility.
- Repeals a requirement for THEA to consult with the Hillsborough County City-County Planning Commission, and a requirement to follow or be superior to design standards adopted by the National System of Interstate and Defense Highways when construction the expressway system.
- Makes numerous revisions to conform terminology to the re-naming or to other revisions in the bill, and makes grammatical and editorial revisions to improve readability.

Because the details of any projects to be undertaken by the WFX, and the details of any financing in support of those projects, are unknown, the fiscal impact to state and local revenues is indeterminate.

The bill takes effect upon becoming a law.

## II. Present Situation:

#### Tampa-Hillsborough County Expressway Authority

An agency of the state, THEA currently serves Hillsborough County and is authorized to construct, reconstruct, improve, extend, repair, maintain, and operate the expressway system in that county, as well as outside the jurisdictional boundaries of Hillsborough County with the consent of contiguous counties (Hardee, Manatee, Pasco, Pinellas, and Polk) within whose jurisdiction the activities occur.<sup>2</sup>

THEA's governing board consists of seven members. The Governor appoints four of the members, subject to confirmation by the Senate, which members serve four-year terms. One member is the mayor or designee, who is the chair of the City Council of the city in Hillsborough

<sup>&</sup>lt;sup>1</sup> Section 348.53, F.S.

<sup>&</sup>lt;sup>2</sup> Section 348.54(15), F.S.

County having the largest population (Tampa); one is a member of the Hillsborough County Board of County Commissioners, selected by that board, who serves as a member *ex officio*; and one is the Florida Department of Transportation (FDOT) district secretary (District 7), who serves *ex officio*.<sup>3</sup>

THEA currently owns, maintains, and operates four facilities within Hillsborough County: The Lee Roy Selmon Expressway, a limited access toll road approximately 15 miles in length, crossing the City of Tampa from Gandy Boulevard and MacDill Air Force Base in the South, through downtown Tampa and east to Brandon. Elevated and at-grade reversible express lanes are operated within the existing facility and connect to the Brandon Parkway and Meridian Avenue, also THEA-owned and maintained. The fourth facility is the Selmon Greenway, a 1.7-mile multi-use trail that runs east-west under the Selmon Expressway, connecting with Tampa's Riverwalk and the Meridian Trail.

Currently, THEA owes to the FDOT long-term debt in the amount of \$213,833,835,6 which includes advances for operating, maintenance, and replacement and renewal costs, as well as loans from the State Transportation Trust Fund (STTF). According to the Florida Transportation Commission:

In December 2012, THEA issued \$404.3 million in fixed rate Refunding Revenue Bonds (Series 2012A, 2012B and 2012D, of which \$70.1 million is taxable) and \$40.4 million in fixed rate Taxable Revenue Bonds (Series 2012C). THEA attained financial independence from the State of Florida and the Lease-Purchase Agreement (LPA) between THEA and FDOT was terminated. FDOT confirmed THEA's absolute ownership of the Lee Roy Selmon Expressway and other assets. The LPA had required FDOT to pay, from sources other than revenues, the costs of operations, routine maintenance and renewals and replacements on the facility, if needed. Since FY 2001, the Authority had reimbursed FDOT for its annual operating and routine maintenance expenses pursuant to the adopted budget. Pursuant to other agreements with FDOT, renewal and replacement costs were added to THEA's long term debt until 2013. [A]s of June 30, 2019, \$213.9 million is owed to FDOT for operating, maintenance, and renewal and replacement expense advances, and FDOT STTF loans to facilitate expansion of the Selmon Expressway. THEA agreed to a repayment schedule of 20 annual installments of \$10.7 million to be paid by THEA to FDOT beginning in 2025.

<sup>&</sup>lt;sup>3</sup> Section 348.52, F.S.

<sup>&</sup>lt;sup>4</sup> See the Florida Transportation Commission, *Transportation Authority Monitoring and Oversight, Toll Authorities*, Fiscal Year 2019 Report at p. 43 (the latest available) available at <a href="http://www.ftc.state.fl.us/documents/reports/TAMO/fy-2019-tamo-toll-report.pdf">http://www.ftc.state.fl.us/documents/reports/TAMO/fy-2019-tamo-toll-report.pdf</a> (last visited March 29, 2021).

<sup>&</sup>lt;sup>5</sup> See Tampa-Hillsborough County Expressway Authority, *About Us*, available at <u>About The Authority – Tampa Hillsborough</u> Expressway Authority (tampa-xway.com) (last visited March 29, 2021).

<sup>&</sup>lt;sup>6</sup> See memo from THEA's executive director dated March 2, 2021 (on file in the Senate Transportation Committee). See also supra note 4 at p. 44.

<sup>&</sup>lt;sup>7</sup> *Id*.

# **FDOT Lease-Purchase Agreement Authority**

FDOT authorization to enter into lease-purchase agreements (LPAs) is reflected in various parts of chapter 348, F.S., relating to expressway and bridge authorities. Generally, the authorization allows such agreements to provide for the leasing of an expressway system to the FDOT, with the FDOT paying rentals as lessee, and may include provisions, *e.g.*, relating to bonds, construction, maintenance, repair, and operation of the system.

However, the Legislature in 2014 amended the FDOT's powers and duties, expressly prohibiting the FDOT from entering into a lease-purchase agreement with an expressway authority, regional transportation authority, or other entity. That provision preserved the validity of LPAs authorized under chapter 348, F.S., existing on July 1, 2013.<sup>8</sup>

The legislative policy prohibiting the FDOT from entering into LPAs was extended in the same 2014 session, in legislation similar to the subject bill, which transferred governance and control, legal rights and powers, responsibilities, terms, and obligations of the Orlando-Orange County Expressway Authority (OOCEA) and its expressway system to the Central Florida Expressway Authority (CFX). The legislation also expanded the area served by CFX to include Seminole, Lake, and Osceola counties, in addition to Orange County.

Section 348.754(2)(e), F.S., relating to CFX, currently acknowledges the LPA (as amended) that existed between the former OOCEA and the FDOT, to which CFX is a party, but also prohibited CFX from entering into other LPAs with the FDOT and prohibited any further amendment of the existing agreements in a manner that expands or increases the FDOT's obligations unless the FDOT determines that the agreement or amendment is necessary to permit the refunding of bonds issued before July 13, 2013.

While Florida law continues to authorize CFX to enter into LPAs with the FDOT, the 2014 Legislature repeated the established policy in s. 348.757(8), F.S., which currently recites that the only LPA being authorized by that section is the existing LPA described above.

Additional present situation is discussed below in the effect of proposed changes.

# III. Effect of Proposed Changes:

Generally, the bill re-names THEA as the WFX, expands the area served by the WFX to include the counties of Citrus, Hernando, Manatee, Pasco, Pinellas, and Polk; and directs the WFX to assume governance and control of the existing THEA expressway system.

#### **Short Title**

Section 1 amends s. 348.50, F.S., to change the short title of part II of chapter 348, F.S., from the "Tampa-Hillsborough County Expressway Authority Law" to the "West Florida Expressway Authority Law."

<sup>&</sup>lt;sup>8</sup> Ch. 2014-223, L.O.F. The legislation also preserved the validity of an LPA between the FDOT and the Mid-Bay Bridge Authority.

<sup>&</sup>lt;sup>9</sup> Ch. 2014-171, L.O.F.

#### **Definitions**

Section 2 amends s. 348.51, F.S., to re-define or define:

• "County" to mean each county located within the jurisdictional limits of the WFX, including Hillsborough County and any expansion county, as applicable.

- "County gasoline tax funds" to mean all the 80-percent surplus gasoline tax funds or 20-percent surplus gasoline tax funds accruing in each year to the FDOT or a county, as the case may be, for use in a (rather than "the," meaning Hillsborough) county under s. 9, Art. XII of the State Constitution, after deduction, if and only to the extent necessary, of any amounts of such gasoline tax funds pledged by the FDOT or a county for outstanding obligations.
- "Expansion county" to mean a county in which the WFX constructs or acquires a transportation facility, which may include Citrus, Hernando, Manatee, Pasco, Pinellas, and Polk counties.
- "Expansion event" to mean the adoption of a resolution or other formal action by the WFX governing board for the WFX to construct, complete, or acquire a transportation facility located in an expansion county and to include the expansion county within its jurisdictional limits.
- "Transportation facility" to mean the mobile and fixed assets, and the associated real or personal property or rights, used in the transportation of persons or property by any means of conveyance which the WFX may acquire, construct, and equip pursuant to its authorization, and all appurtenances, including, but not limited to, highways; limited or controlled access lanes, avenues of access, and facilities; and administrative and other office space, for the exercise by the WFX of its powers and obligations.

The bill includes in the existing definition of "expressway system" or "system," the directive that a transportation facility shall become part of the expressway system upon the WFX governing board's designation of such facility as part of its system.

This section of the bill also deletes the definition of "city," meaning the City of Tampa.

# **Re-naming and Transfer**

Section 3 amends s. 348.52, F.S., in which THEA is currently established, to replace and rename THEA as the WFX. Immediately on July 1, 2021, the bill requires the WFX to assume the governance and control of the expressway system operated by the former THEA, including its assets, personnel, contracts, obligations, liabilities, facilities, and tangible and intangible property. Any rights in such property and other legal rights of the former THEA are transferred to the WFX. The WFX must immediately succeed to and assume the powers, responsibilities, and obligations of the former THEA.

The transfer is subject to the terms and covenants provided for the protection of the holders of the former THEA bonds in the LPA and the resolutions adopted in connection with the issuance of the bonds and any and all bonds issued pursuant to a resolution or trust indenture subsequent to the LPA. Further, the transfer does not impair the terms of the contract between the WFX and the bondholders, does not act to the detriment of the bondholders, and does not diminish the security for the bonds.

After the transfer, the WFX must operate and maintain the expressway system and any other facilities of the authority in accordance with the terms, conditions, and covenants contained in the bond resolutions securing the bonds. The WFX must collect toll revenues and apply them to the payment of debt service as provided in the bond resolution securing all bonds and shall expressly assume all obligations relating to all bonds to ensure that the transfer has no adverse impact on the security for all bonds.

The transfer does not make the obligation to pay the principal and interest on the bonds a general liability of the WFX or pledge additional expressway system revenues to payment of the bonds. Expressway system revenues that are generated by the expressway system and other facilities of the WFX which were pledged by the former THEA to payment of the bonds will remain subject to the pledge for the benefit of the bondholders.

Unlike the language used in the 2014 law that transferred the OOCEA to the CFX, this bill does not include the following text: "The transfer does not modify or eliminate any prior obligation of the department to pay certain costs of the expressway system from sources other than revenues of the expressway system."

#### **Governing Board Composition and Expansion**

This section of the bill also revises the composition of the WFX governing body, providing that the body shall *initially* consist of a board of seven members, but shall be subject to increase to no more than 13 members through the addition of a new member for each expansion county upon the expansion of the WFX's jurisdiction to include such expansion county. Of the four members appointed by the Governor, one must be a resident of Hillsborough County, and the remainder may be residents of Hillsborough County or any expansion county upon the expansion of the WFX's jurisdiction to include such expansion county. A member serving an unexpired term on the former THEA as of July 1, 2021, continues to serve the remainder of his or her unexpired term. The remaining three members continue to be the mayor or mayor's designee (currently, of Tampa), a member of the Hillsborough County Board of County Commissioners serving *ex officio*, and the FDOT's district secretary, also a member *ex officio*.

After an expansion event in a particular expansion county, the WFX board is increased by one additional *ex officio* voting member for each such expansion county, who must be a member of the board of county commissioners of such county, selected by that board. The increase is effective on the date that such county member takes the required oath.

The bill specifies that the WFX's jurisdictional boundaries are automatically expanded to include any one or more expansion counties upon the occurrence of an expansion, but an expansion event must occur on or before:

- The date that the authority makes a final written determination to undertake a transportation facility located in the jurisdictional limits of an expansion county by adding elements of the study, design, engineering, acquisition, construction, or equipping of such transportation facility to its work plan; or
- The effective date that the authority becomes the owner of a transportation facility located in the jurisdictional limits of an expansion county.

The bill makes each member of the WFX governing board, including each member representing an expansion county, subject to the following existing requirements:

- Each member's term is still for four years, or until a successor is appointed and qualified, but the bill additionally authorizes the respective initial term of one or more members representing an expansion county to be for two years at the sole discretion of the WFX board to achieve staggered terms of office for its members.
- A vacancy occurring in the governing board for any member before expiration of the affected term must be filled for the unexpired term.
- The Governor may still remove any member of the board in the manner and for cause defined by Florida law.
- Each member must still take and subscribe to an oath, before entering upon official duties, to honestly, faithfully, and impartially perform the member's duties.

#### **Meetings and Workshops**

Section 3 also authorizes WFX meetings and workshops to be conducted using communications media technology, defined to mean "conference telephone, video conference, or other communications technology by which all persons attending a public meeting or workshop may audibly communicate. The notice for any such public meeting or workshop must state that the meeting or workshop will be conducted through the use of communications media technology, specify how persons interested in attending may do so, and provide a location where communications media technology facilities are available. The participation by a member in an authority meeting or workshop conducted using communications media technology constitutes that member's presence at such meeting or workshop and counts toward a quorum.

#### **Purposes of the WFX**

Section 4 amends s. 348.53, F.S., relating to purposes of the authority. The bill authorizes the WFX, in the construction of the expressway system, to construct any extensions, additions, or improvements to the system or appurtenant facilities, including all necessary approaches, roads, bridges, avenues of access, and boulevards, with any changes, modifications, or revisions of any project which are deemed desirable and proper. This language is identical to that granted to the CFX in 2014, with the exception that the CFX language included rapid transit, trams, fixed guideways, and thoroughfares. <sup>10</sup>

#### Powers of the WFX

Section 5 amends s. 348.54, F.S., relating to the authority's powers. With respect to the existing authority to establish and collect tolls and other charges (which can be assigned or delegated by the authority to the lessee under an LPA), the bill provides that toll revenues attributable to a toll rate increase for the use of a portion of the expressway system that become effective on or after the date that the jurisdiction of the authority is first expanded to include any one or more expansion counties may not be used to construct or expand a different portion of the system unless a two-thirds majority of the members of the authority governing board, determined as of

<sup>&</sup>lt;sup>10</sup> Section 348.754(1)(b), F.S.

the time of such vote, votes to approve such use. This requirement does not apply if and to the extent that application of the requirement would:

- Violate any covenant established in a resolution or trust indenture under which bonds were issued by the authority on or before the first date that the authority's jurisdiction is expanded to include one or more expansion counties; or
- Cause the authority to be unable to meet its obligations under the terms of the October 2012 memorandum of agreement between the authority and the department.

This language is identical to that enacted in 2014 relative to CFX, except with reference to the 2012 memorandum of agreement between THEA and the FDOT.<sup>11</sup>

In addition, this section of the bill:

- Removes existing language mandating that interest upon the amount of gasoline tax funds to be repaid to the county (Hillsborough) pursuant to s. 348.60, F.S., relating to LPAs, be paid out of revenues and other available moneys not required to meet the authority's obligations.
- Removes a 20-year limitation on the term of any lease of the authority's property or facilities
  or of the right to use the property or facilities, resulting in no limitation on the term of any
  such lease.
- Authorizes the WFX to enter into partnerships, contracts, and agreements, including without limitation, interlocal agreements, with any federal, state, or local governmental entity with respect to the WFX's purposes.

# **Revenue Bonds for Specified Projects**

Section 6 amends s. 348.565, F.S., to remove a list of projects and improvements (some or all of which are completed) approved to be financed or refinanced by the issuance of revenue bonds, which currently includes capital projects, provided that any financing does not pledge the full faith and credit of the state. The bill provides that capital projects that the WFX is authorized to acquire, construct, reconstruct, equip, operate, and maintain are approved to be financed or refinanced by revenue bonds, but any such financing may still not pledge the full faith and credit of the state.

#### **Lease-Purchase Agreements**

Section 7 amends s. 348.60, F.S., which continues to authorize the WFX to enter into LPAs with a city or a county, but also with the FDOT, which appears to be in direct conflict with the prohibition in s. 334.044(16)(b), F.S., prohibiting the FDOT from doing so. The bill does not contain language, such as that in the 2014 law transferring the former OOCEA to the CFX, nor does it repeat the prohibition with respect to the WFX. This provision may be construed to again authorize the FDOT to enter into LPAs with the WFX, as the latest expression of legislative intent, but that authority would exist only with respect to the WFX and not as to any other expressway authority, regional transportation authority, or other entity. 12

<sup>&</sup>lt;sup>11</sup> Section 348.754(2)(f), F.S.

<sup>&</sup>lt;sup>12</sup> Assuming the bill does, in fact, reinstitute the FDOT's authority to enter into an LPA with the WFX, the FDOT would be authorized to pay all or any part of the cost of the operation, maintenance, repair, renewal, and replacement of the expressway

This section of the bill also provides that a duly adopted county commission resolution pledging surplus gasoline tax funds under any LPA may authorize the execution and delivery of an interlocal agreement between the WFX and the county setting forth the terms and provisions for use by the WFX of any such gasoline tax funds.

# **Acquisition of Lands and Property**

Section 9 amends s. 348.62, F.S., which currently authorizes THEA, and would authorize the WFX, to acquire private or public property and property rights, including rights of access, air, view, and light, by gift, devise, purchase, or condemnation by eminent domain proceedings, as the authority deems necessary. The bill additionally includes without limitation acquisition of any lands reasonably necessary for securing applicable permits, areas necessary for management of access, borrow pits, drainage ditches, water retention areas, rest areas, and replacement access for landowners whose access is impaired due to the construction of a transportation facility. Similar language was included in the 2014 law relating to the transfer of the former OOCEA to CFX.<sup>13</sup>

#### Consultation with the Hillsborough County City-County Planning Commission

Section 10 repeals s. 348.68, F.S., which currently requires THEA to consult with the Planning Commission in determining the routes, the design, and the type of construction in connection with constructing the expressway system.

# **Design Standards**

Section 10 also repeals s. 348.681, F.S., which currently requires the geometric design standards used in connection with construction of the expressway system or any extension thereof to follow or be superior to design standards adopted by the National System of Interstate and Defense Highways. No other entity established in chapter 348, F.S., operates under the same express requirement.

#### **Conforming, Technical, and Editorial Revisions**

Every section of the bill discussed above makes technical revisions to conform terminology to the re-naming or to other revisions in the bill, or makes grammatical and editorial revisions to improve readability. In addition, for the same purpose or purposes, the bill amends:

- Section 348.61, F.S., relating to appointment of the FDOT as agent of the WFX for construction. (Section 8)
- Section 348.70, F.S., relating to complete and additional authority, but which is also renumbered as s. 348.62, F.S. (Section 11)
- Section 343.975, relating to complete and additional authority with respect to the Tampa Bay Area Regional Transportation Authority. (Section 12)

system, and any part of the cost of completing such system, to the extent that the proceeds of bonds issued therefor are insufficient, from sources other than expressway system revenues and county gasoline tax funds.

13 Section 348.759, F.S.

• Section 348.545, F.S., relating to facility improvement and bond financing authority. (Section 13)

- Section 348.56, F.S., relating to bonds of the authority. (Section 14)
- Section 348.57, F.S., relating to refunding bonds. (Section 15)
- Section 348.58, F.S., relating to remedies of the bondholders. (Section 16)
- Section 348.59, F.S., relating to traffic control. (Section 17)
- Section 348.63, F.S., relating to cooperation with other units, boards, agencies, and individuals. (Section 18)
- Section 348.64, F.S., relating to the covenant of the state, but also including the state's pledge not to limit or alter the rights vested in the authority, the FDOT, a county, and a city to collect, in addition to currently authorized system revenues and county gasoline tax funds, any other moneys. (Section 19)
- Section 348.65, F.S., relating to exemption from taxation. (Section 20)
- Section 348.67, F.S., relating to pledges enforceable for bondholders. (Section 21)

The bill takes effect upon becoming a law.

## IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

Not applicable.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

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:

Indeterminate, as the details of any project or project financing is unknown.

# C. Government Sector Impact:

Indeterminate, as the details of any project or project financing is unknown. The bill appears to re-instate authorization for the FDOT to enter into LPAs with the WFX. However, the fiscal impact of such reauthorization is unknown.

According to the FDOT, the most recent annual audited financial statements indicate that THEA has approximately \$675.7 million in outstanding senior lien bonds. The current long-term debt to be assumed by the WFX and currently owed to the FDOT is approximately \$214 million in unreimbursed expenses incurred by the FDOT under the now-terminated LPA for operation and maintenance of the THEA expressway system and for other loans to the authority.

Further, toll revenues for the period were about \$88 million, with current operating and administrative expenses of about \$22 million. In addition, approximately \$40 million is paid for annual debt service on outstanding debt obligations. The authority's obligation to repay the FDOT is subordinate to the rights of senior lien bondholders. Issuance of additional significant senior lien debt to finance new facilities outside the authority's current geographical area could potentially impact the FDOT's assurance of repayment.<sup>14</sup>

#### VI. Technical Deficiencies:

None.

#### VII. Related Issues:

While is it asserted "the ability for the Authority to offer transportation services in expansion counties beyond Hillsborough County remains <u>permission based</u>, meaning the Authority **and** the expansion County's Board of County Commissioners must agree on a new project in that County,"<sup>15</sup> no language in the bill expressly supports the assertion. Clarification of intent may be in order.

## The FDOT also suggests:

- Deletion of the authority to enter into LPAs with the FDOT, with appropriate conforming changes.
- Clarification that designation of a facility by the WFX does not operate to include any portion of a facility as part of the WFX expressway system without the advance written consent of the owner of the underlying right-of-way.
- Consideration could be given to including a specific reference to debt payment obligations under the Memorandum of Agreement as a limitation on WFX authority to issue additional bonds or obligations for new projects.
- Clarification that broad authorization to construct any extensions, additions, or improvements
  to the system or appurtenant facilities does not extend to any appurtenant facility without the
  advance written consent of the owner of the underlying right-of-way.

<sup>&</sup>lt;sup>14</sup> See the FDOT's 2021 Agency Analysis of the identical HB 1283 at p. 9 (on file in the Senate Transportation Committee).

<sup>&</sup>lt;sup>15</sup> See email to committee staff dated March 15, 2021 (on file in the Senate Transportation Committee).

## VIII. Statutes Affected:

This bill amends the following sections of the Florida Statutes: 348.50, 348.51, 348.52, 348.53, 348.54, 348.565, 348.60, 348.61, 348.62 amending and renumbering 348.70 as 348.682, 343.975, 348.545, 348.56, 348.57, 348.58, 348.59, 348.63, 348.64, 348.65, and 348.67.

This bill repeals the following sections of the Florida Statutes: 348.68 and 348.681.

## IX. Additional Information:

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

None.

B. Amendments:

None.

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
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The Committee on Transportation (Burgess) recommended the following:

## Senate Amendment (with title amendment)

Delete everything after the enacting clause and insert:

Section 1. Section 348.50, Florida Statutes, is amended to read:

348.50 Title of law.—This part shall be known and may be cited as the "West Florida Tampa-Hillsborough County Expressway Authority Law."

Section 2. Section 348.51, Florida Statutes, is amended to

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348.51 Definitions.-As The following terms whenever used or referred to in this part shall have the following meanings, unless except in those instances where the context clearly indicates otherwise, the term:

- (1) "Agency of the state" means and includes the state and any department of, or corporation, agency, or instrumentality heretofore or hereafter created, designated, or established by, the state.
- (2) "Authority" means the body politic, corporate, and agency of the state created by this part.
- (3) "Bonds" means and includes the notes, bonds, refunding bonds, or other evidences of indebtedness or obligations, in either temporary or definitive form, which the authority is authorized to issue pursuant to this part.
  - (4) "City" means the City of Tampa.
- (5) "County" means each county located within the jurisdictional limits of the authority, including the County of Hillsborough County and any expansion county, as applicable.
- (5) "County gasoline tax funds" means all the 80 percent surplus gasoline tax funds or 20 percent surplus gasoline tax funds accruing in each year to a county for use in a county under s. 9, Art. XII of the State Constitution, after deduction, if and only to the extent necessary, of any amounts of such gasoline tax funds pledged by a county for outstanding obligations.
- (6) "Department" means the Department of Transportation of Florida and any successor thereto.
  - (7) "Expansion county" means a county with the consent of

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which and in which the authority constructs or acquires a transportation facility, which may include Citrus, Hernando, Manatee, Pasco, Pinellas, and Polk Counties.

- (8) "Expansion event" means the adoption of a resolution or other formal action by the governing board of the authority for the authority to construct, complete, or acquire a transportation facility located in an expansion county and to include the expansion county within its jurisdictional limits.
- (9) <del>(7)</del> "Expressway system" or "system" means, generally, a modern highway system of roads, bridges, causeways, and tunnels in the metropolitan area of the city, or within any area of the county, with access limited or unlimited access as the authority may determine, and such buildings, and structures, and appurtenances, and facilities related thereto, including all approaches, streets, roads, bridges, and avenues of access for such system.
- (10) (8) "Federal agency" means and includes the United States, the President of the United States, and any department of, or bureau, corporation, agency, or instrumentality heretofore or hereafter created, designated, or established by, the United States.
- (9) "Hillsborough County gasoline tax funds" means all the 80-percent surplus gasoline tax funds or 20-percent surplus gasoline tax funds accruing in each year to the Department of Transportation or the county, as the case may be, for use in Hillsborough County under the provisions of s. 9, Art. XII of the State Constitution, after deduction, if and only to the extent necessary, of any amounts of said gasoline tax funds heretofore pledged by the Department of Transportation or the

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county for outstanding obligations.

(11) (10) "Lease-purchase agreement" or "lease-purchase agreements" means a the lease-purchase agreement or agreements which the authority may execute is authorized pursuant to this part to execute.

(12) (11) "Members" means the governing body of the authority, and the term "member" means one of the individuals constituting such governing body.

(13) (12) "Revenues" means all tolls, revenues, rates, fees, charges, receipts, rentals, contributions, including, but not limited to, contributions of revenues from a county, municipality, or other local governmental entity, and other income derived from or in connection with the operation or ownership of the expressway system, including the proceeds of any use and occupancy insurance on any portion of the system but excluding any Hillsborough County gasoline tax funds.

(14) "Transportation facility" means the mobile and fixed assets, and the associated real or personal property or rights, used in the transportation of persons or property by any means of conveyance which the authority may acquire, construct, and equip pursuant to this part, and all appurtenances, including, but not limited to, highways; limited or controlled access lanes, avenues of access, and facilities; and administrative and other office space, for the exercise by the authority of the powers and obligations granted in this part.

(15) (13) Words importing singular number include the plural number in each case and vice versa, and words importing persons include firms and corporations.

Section 3. Section 348.52, Florida Statutes, is amended to



98 read: 99 348.52 West Florida <del>Tampa-Hillsborough County</del> Expressway 100 Authority.-101 (1) There is hereby created and established a body politic 102 and corporate, an agency of the state, to be known as the "West 103 Florida Tampa-Hillsborough County Expressway Authority." 104 (2) (a) Immediately on July 1, 2021, the West Florida 105 Expressway Authority shall assume the governance and control of 106 the expressway system operated by the former Tampa-Hillsborough 107 County Expressway Authority, including its assets, personnel, 108 contracts, obligations, liabilities, facilities, and tangible and intangible property. Any rights in such property and other 109 110 legal rights of the former Tampa-Hillsborough County Expressway 111 Authority are transferred to the West Florida Expressway 112 Authority. The West Florida Expressway Authority shall 113 immediately succeed to and assume the powers, responsibilities, 114 and obligations of the former Tampa-Hillsborough County 115 Expressway Authority. 116 (b) The transfer pursuant to this subsection is subject to 117 the terms and covenants provided for the protection of the holders of the former Tampa-Hillsborough County Expressway 118 119 Authority bonds in any agreement executed by the former 120 authority and assumed by the West Florida Expressway Authority 121 and the resolutions adopted in connection with the issuance of 122 the bonds and any and all bonds issued pursuant to a resolution 123 or trust indenture subsequent to any such agreement. Further, 124 the transfer does not impair the terms of the contract between 125 the West Florida Expressway Authority and the bondholders, does 126 not act to the detriment of the bondholders, and does not



127 diminish the security for the bonds. After the transfer, the 128 West Florida Expressway Authority shall operate and maintain the 129 expressway system and any other facilities of the West Florida 130 Expressway Authority in accordance with the terms, conditions, 131 and covenants contained in the bond resolutions securing the 132 bonds of the authority. The West Florida Expressway Authority 133 shall collect toll revenues and apply them to the payment of 134 debt service as provided in the bond resolution securing all 135 bonds and shall expressly assume all obligations relating to all 136 bonds to ensure that the transfer has no adverse impact on the security for all bonds. The transfer does not make the 137 138 obligation to pay the principal and interest on the bonds a 139 general liability of the West Florida Expressway Authority or 140 pledge additional expressway system revenues to payment of the 141 bonds. Expressway system revenues that are generated by the 142 expressway system and other facilities of the West Florida Expressway Authority which were pledged by the former Tampa-143 144 Hillsborough County Expressway Authority to payment of the bonds 145 will remain subject to the pledge for the benefit of the 146 bondholders. The transfer does not modify or eliminate any prior 147 obligation of the department to pay certain costs of the expressway system from sources other than revenues of the 148 149 expressway system, nor does the transfer modify or eliminate the terms and conditions of the memorandum of agreement dated 150 151 October 26, 2010, as amended by the amendment to memorandum of 152 agreement dated March 28, 2012, and the second amendment to 153 memorandum of agreement dated October 8, 2012, between the 154 former authority and the department and assumed by the West 155 Florida Expressway Authority.

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- (3) The governing body of the authority shall initially consist of a board of seven members but shall be subject to increase to no more than 13 members through the addition of a new member for each expansion county upon the expansion of the authority's jurisdiction to include such expansion county in accordance with subsection (6).
- (a) Four of the members shall be appointed by the Governor, one of whom must be a resident of Hillsborough County, and the remainder of whom may be residents of Hillsborough County or any expansion county upon the expansion of the authority's jurisdiction to include such expansion county, subject to confirmation by the Senate at the next regular session of the Legislature. Refusal or failure of the Senate to confirm an appointment shall create a vacancy. A board member currently serving an unexpired term on the former Tampa-Hillsborough County Expressway Authority as of the effective date of this act shall continue to serve the remainder of his or her unexpired term. Each member of the governing board, including each member representing an expansion county, shall be subject to the following:
- 1. Each such member's term of office shall be for 4 years or until his or her successor is <del>shall have been</del> appointed and qualified. However, the respective initial term of one or more members representing an expansion county may be for 2 years at the sole discretion of the governing board in order to achieve staggered terms of office for its governing board members.
- 2. A vacancy <del>Vacancies</del> occurring in the governing board body for any member before such members prior to the expiration of the affected term shall be filled for the unexpired term.

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- 3. The Governor may shall have the authority to remove from office any <del>such</del> member of the governing board <del>body</del> in the manner and for cause defined by the laws of this state.
- 4. Each such member, before entering upon his or her official duties, shall take and subscribe to an oath before an some official authorized by law to administer oaths that he or she will honestly, faithfully, and impartially perform the duties devolving upon him or her in office as a member of the governing board <del>body</del> of the authority and that he or she will not neglect any duties imposed upon him or her by this part.
- (b) One member shall be the mayor, or the mayor's designee designate, who shall be the chair of the city council of the city in Hillsborough County having the largest population, according to the latest decennial census, who shall serve as a member ex officio.
- (c) One member shall be a member of the Board of County Commissioners of Hillsborough County, selected by such board, who shall serve as a member ex officio.
- (d) One member shall be the district secretary of the department of Transportation serving in the district that contains Hillsborough County, who shall serve as a member ex officio.
- (e) After the occurrence of an expansion event in a particular expansion county, the governing board shall be increased by one additional ex officio voting member for each such expansion county, which member must be a member of the board of county commissioners of such expansion county, selected by such board of county commissioners. Such increase in board membership shall become effective on the date that such

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expansion county member takes the oath required under subparagraph (a) 4.

- (4) The authority shall designate one of its members as chair. The members of the authority are shall not be entitled to compensation but are <del>shall be</del> entitled to receive their travel and other necessary expenses as provided in s. 112.061. A majority of the members of the authority shall constitute a quorum, and resolutions enacted or adopted by a vote of a majority of the members present and voting at any meeting shall become effective without publication or posting or any further action of the authority.
- (5) Authority meetings and workshops may be conducted using communications media technology. The notice for any such public meeting or workshop shall state that the meeting or workshop will be conducted through the use of communications media technology, specify how persons interested in attending may do so, and provide a location where communications media technology facilities are available. The participation by a member in an authority meeting or workshop conducted using communications media technology constitutes that member's presence at such meeting or workshop and shall count toward a quorum. For purposes of this subsection, the term "communications media technology" means conference telephone, video conference, or other communications technology by which all persons attending a public meeting or workshop may audibly communicate.
- (6) The authority's jurisdictional boundaries shall be automatically expanded to include any one or more expansion counties upon the occurrence of an expansion. However, an expansion event must occur on or before:

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- (a) The date that the authority makes a final written determination to undertake a transportation facility located in the jurisdictional limits of an expansion county by adding elements of the study, design, engineering, acquisition, construction, or equipping of such transportation facility to its work plan; or
- (b) The effective date that the authority becomes the owner of a transportation facility located in the jurisdictional limits of an expansion county.

A delay in the designation of an expansion county board member shall not affect the expansion of the authority's jurisdiction under this part.

- (7) The authority may employ a secretary and executive director, its own counsel and legal staff, and such legal, financial, and other professional consultants, technical experts, engineers, and employees, permanent or temporary, as it may require and may determine the qualifications and fix the compensation of such persons, firms, or corporations. The authority may contract with the Division of Bond Finance of the State Board of Administration for any financial services authorized herein.
- (8) (8) (5) The authority may delegate to one or more of its officers or employees such of its powers as it deems shall deem necessary to carry out the purposes of this part, subject always to the supervision and control of the authority. A member Members of the governing board authority may be removed from their office by the Governor for misconduct, malfeasance, misfeasance, or and nonfeasance in office.

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Section 4. Section 348.53, Florida Statutes, is amended to read:

348.53 Purposes of the authority.-

- (1) The purposes of the authority are, and the authority has the is created for the purposes and shall have power, to construct, reconstruct, improve, extend, repair, maintain, and operate the expressway system. It is hereby found and declared that such purposes are in all respects for the benefit of the people of the State of Florida, the City of Tampa, and the West Florida region <del>County of Hillsborough</del> for the increase of their pleasure, convenience, and welfare; for the improvement of their health; and to facilitate transportation, including managed lanes and other transit supporting facilities, for their recreation and commerce and for the common defense. The authority is performing a public purpose and a governmental function in carrying out its corporate purpose and in exercising the powers granted in this section herein.
- (2) (a) In the construction of the expressway system, the authority may construct any extensions, additions, or improvements to the system or appurtenant facilities, including all necessary approaches, roads, bridges, avenues of access, and boulevards, with any changes, modifications, or revisions of any project which are deemed desirable and proper. However, the authorization provided in this subsection does not extend to any appurtenant facility without the advance written consent of the owner of the underlying right-of-way.
- (b) A transportation facility shall become part of the expressway system of the authority upon the authority governing board's designation of such transportation facility as part of

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its expressway system. However, no such designation may be construed to include any portion of a facility as part of the expressway system without the advance written consent of the owner of the underlying right-of-way of such facility.

Section 5. Section 348.54, Florida Statutes, is amended to read:

- 348.54 Powers of the authority.—Except as otherwise limited herein, the authority shall have the power:
- (1) To sue and be sued, implead and be impleaded, and complain and defend in all courts.
  - (2) To adopt, use, and alter at will, a seal.
- (3) To acquire, purchase, hold, lease as lessee, and use any franchise, property, real, personal or mixed, tangible or intangible, or any interest therein, necessary or desirable for carrying out the purposes of the authority, and to sell, lease as lessor, transfer, and dispose of any property or interest therein at any time acquired by it.
- (4) To construct, reconstruct, or improve on or along the expressway system suitable facilities for gas stations, restaurants, and other facilities for the public. + Such facilities may be publicly offered for leasing for operation under rules and regulations to be established by the authority.
- (5) To enter into and make lease-purchase agreements as provided in s. 348.60 for terms not exceeding 40 years, or until all bonds secured by a pledge thereunder, and all refundings thereof, are fully paid as to both principal and interest, whichever is longer.
- (6) To fix, alter, charge, establish, and collect tolls, rates, fees, rentals, and other charges for the services and

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facilities of the expressway system, which tolls, rates, fees, rentals, and other charges shall always be sufficient to comply with any covenants made with the holders of any bonds. + provided, However, that such right and power, or any part thereof, may be assigned or delegated, by the authority, to the lessee under a lease-purchase agreement. Toll revenues attributable to a toll rate increase for the use of a portion of the expressway system that become effective on or after the date that the jurisdiction of the authority is first expanded to include any one or more expansion counties may not be used to construct or expand a different portion of the system unless a two-thirds majority of the members of the authority governing board, determined as of the time of such vote, votes to approve such use. This requirement does not apply if and to the extent that application of the requirement would:

- (a) Violate any covenant established in a resolution or trust indenture under which bonds were issued by the authority on or before the first date that the authority's jurisdiction is expanded to include one or more expansion counties; or
- (b) Cause the authority to be unable to meet its obligations under the terms of the memorandum of agreement dated October 26, 2010, as amended by the amendment to memorandum of agreement dated March 28, 2012, and the second amendment to memorandum of agreement dated October 8, 2012, between the former authority and the department and assumed by the West Florida Expressway Authority.
- (7) To borrow money and to make and issue negotiable bonds, notes, refunding bonds, and other evidences of indebtedness or obligations, either in temporary or definitive form, referred to

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hereinafter in this chapter referred to as "bonds of the authority," for the purpose of financing all or part of the improvement or extension of the expressway system and appurtenant facilities, including all approaches, streets, roads, bridges, and avenues of access for the expressway system, and for any other purpose authorized by this part, and to provide for the rights of the holders thereof.

- (8) To secure the payment of bonds by a pledge of all or any portion of the expressway system revenues or such other moneys legally available therefor and of all or any portion of a county's the Hillsborough County gasoline tax funds in the manner provided by this part; and in general to provide for the security of the bonds and the rights and remedies of the holders thereof. Interest upon the amount of gasoline tax funds to be repaid to the county pursuant to s. 348.60 shall be payable, at the highest rate applicable to any outstanding bonds of the authority, out of revenues and other available moneys not required to meet the authority's obligations to its bondholders. The authority may not, shall have no power at any time or in any manner, to pledge the credit or taxing power of the state or any political subdivision or agency thereof, including a the city and a the county, nor shall any of the authority's obligations be deemed to be obligations of the state or of any political subdivision or agency thereof, nor shall the state or any political subdivision or agency thereof, except the authority, be liable for the payment of the principal of or interest on such obligations.
- (9) To make contracts of every name and nature and to execute all instruments necessary or convenient for the carrying



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- (10) Without limitation of the foregoing, to borrow money and accept gifts or grants from, and to enter into contracts, leases, or other transactions with, any federal agency, the state, any agency of the state, a the county, a the city, or with any other public body of the state or any other person and to comply with the terms and conditions thereof.
  - (11) To have the power Of eminent domain.
- (12) To construct and maintain over, under, along, or across the expressway system, telephone, telegraph, television, electric power, and other wires or cables, pipelines, water mains, and other conduits and mechanical equipment, not inconsistent with the appropriate use of the system, or to contract for such construction, + and, upon such terms and conditions as the authority determines shall determine, to lease all or any part of such property and facilities or the right to use such property and facilities the same whether such facilities are constructed by the authority or under a contract for such construction, for a period of not more than 20 years from the date when such lease is made.
- (13) To do all acts and things necessary or convenient for the conduct of its business and the general welfare of the authority, in order to carry out the powers granted to it by this part or any other law.
- (14) To enter into partnerships, contracts, and agreements, including, but not limited to, interlocal agreements, with any federal, state, or local governmental entity with respect to the purposes of this part.

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Before entering into any sale, lease, transfer, or disposition of its real properties under subsection (3), leasing any of its facilities under subsection (4), or taking final action under subsection (7), the authority shall give notice thereof by publication on at least 5 separate days in a newspaper of general circulation in the affected county. Such notice shall state the place and time, not less than 14 days after the first such publication, when objections may be filed with and heard by the authority.

(14) Prior to entering into any sale, lease, transfer or disposition of its real properties pursuant to subsection (3), leasing any of its facilities pursuant to subsection (4), or taking final action under subsection (7), the authority shall give notice thereof by publication on at least 5 separate days, in a newspaper of general circulation in the county. Such notice shall state the place and time, not less than 14 days following the first such publication, when objections may be filed with and heard by the authority.

(15) With the consent of the county within whose jurisdiction the activities occur, to construct, operate, and maintain roads, bridges, avenues of access, thoroughfares, and boulevards and managed lanes and other transit supporting facilities outside of the jurisdictional boundaries of Hillsborough County and within the jurisdictional boundaries of counties contiguous to Hillsborough County, together with the right to construct, repair, replace, operate, install, and maintain such facilities and electronic toll payment systems thereon or incidental thereto, with all necessary and incidental powers to accomplish the foregoing.

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Section 6. Section 348.565, Florida Statutes, is amended to read:

348.565 Revenue bonds for specified projects.—The existing facilities that constitute the Tampa-Hillsborough County expressway system are hereby approved to be refinanced by revenue bonds issued by the Division of Bond Finance of the State Board of Administration pursuant to s. 11(f), Art. VII of the State Constitution and the State Bond Act or by revenue bonds issued by the authority pursuant to s. 348.56(1)(b). In addition, the capital projects that the authority is authorized to acquire, construct, reconstruct, equip, operate, and maintain under this part following projects of the Tampa-Hillsborough County Expressway Authority are approved to be financed or refinanced by the issuance of revenue bonds in accordance with this part and s. 11(f), Art. VII of the State Constitution:

- (1) Brandon area feeder roads.
- (2) Capital improvements to the expressway system, including safety and operational improvements and toll collection equipment.
- (3) Lee Roy Selmon Crosstown Expressway System widening, and any extensions thereof.
- (4) The connector highway linking the Lee Roy Selmon Crosstown Expressway to Interstate 4.
- (5) Capital projects that the authority is authorized to acquire, construct, reconstruct, equip, operate, and maintain pursuant to this part, including, without limitation, s. 348.54(15), provided that any financing of such projects does not pledge the full faith and credit of the state.
  - Section 7. Section 348.60, Florida Statutes, is amended to



read:

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348.60 Lease-purchase agreements.-

- (1) In order to effectuate the purposes of this part, the authority may enter into lease-purchase agreements with a the city, a the county, or the state or any agency thereof, excluding including the department, and any federal agency relating to and covering the expressway system or any portion thereof.
- (2) Such lease-purchase agreements may provide for the leasing of the expressway system or any portion thereof by the authority as lessor to any one or more of the aforementioned governmental entities or agencies as lessee, shall prescribe the term of such lease and the rentals to be paid thereunder, and may provide that upon the completion of the faithful performance thereunder and the termination of such lease-purchase agreements, title in fee simple absolute to the expressway system, as then constituted, shall be transferred in accordance with law by the authority to such lessee or otherwise as provided in such agreements. In the event of such transfer to the lessee, the authority shall deliver to such lessee such deeds and conveyances as shall be necessary or convenient to vest title in fee simple absolute in such lessee.
- (3) (a) The lease-purchase agreements may include such other provisions, agreements, and covenants as the authority and the lessee deem advisable or necessary, including, but not limited to, provisions with respect to bonds;  $\tau$  the construction, reconstruction, extension, improvements, operation, repair, and maintenance of the expressway system;  $\tau$  the expenses and costs of operation of the system and of the authority;  $\tau$  the charging and

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collecting of tolls, rates, fees, and other charges for the use of the services and facilities thereof;  $\tau$  the application of federal, state, or other grants or aid that which may be made or given to assist the authority;  $\tau$  the enforcement of payment and collection of rentals; and any other terms, provisions, or covenants necessary, incidental, or convenient to the making of and full performance under such lease-purchase agreements.

- (a) In the event the department is a lessee under any such lease-purchase agreement, it is authorized to pay as rentals thereunder in addition to the revenues accruing thereto from the operation of the expressway system, all or any portion of the Hillsborough county gasoline tax funds and may also pay as rentals any appropriations received by the department pursuant to any act of the Legislature heretofore or hereafter enacted; provided, however, that nothing herein nor in such leasepurchase agreement shall be construed to require the Legislature to make or continue such appropriations nor shall any holder of bonds ever have any right to require the Legislature to make or continue such appropriations.
- (b) In the event a the county is a lessee under any such lease-purchase agreement, the county may it shall be authorized to pay as rentals thereunder in addition to the expressway revenues accruing to the county from the operation of the expressway system all or any part of the 20-percent surplus gasoline tax funds accruing to the Hillsborough county.
- (4) A No pledge of either the 80-percent surplus gasoline tax funds or the 20-percent surplus gasoline tax funds under any such lease-purchase agreement may not shall be made without the consent of the county evidenced by a resolution duly adopted by

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its board of county commissioners, which resolution may authorize the execution and delivery of an interlocal agreement between the authority and the county setting forth the terms and provisions for the use by the authority of any such gasoline tax funds nor unless the revenues pledged under any such leasepurchase agreements are estimated by the authority to aggregate during the term of such lease-purchase agreements not less than the principal amount of the bonds secured thereunder plus interest thereon. Such resolution, among other things shall provide that any excess of such pledge of the Hillsborough County gasoline tax funds which is not required for debt service or reserves for such debt service for any bonds shall be returned annually to the appropriate board or agency for distribution to the county as provided by law; and shall provide, further, that any Hillsborough County gasoline tax funds actually expended for such debt service, shall be repaid with interest out of revenues and other available moneys not required to meet the authority's obligations to its bondholders, as determined by the authority.

(5) A Any lessee under any such lease-purchase agreement may agreements shall have power to covenant therein that it will pay all or any part of the cost of the operation, maintenance, repair, renewal, and replacement of the expressway system, and any part of the cost of completing such system, to the extent that the proceeds of bonds issued therefor are insufficient, from sources other than expressway system revenues and Hillsborough county gasoline tax funds. Any Such lessee may also agree to make such other payments from moneys available to a the county, a the city, or the authority, or the department in

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connection with the construction or completion of the expressway such system as shall be deemed by such lessee to be fair and proper under any such covenants heretofore or hereafter entered into.

(6) The system shall be a part of the state road system. The department is hereby authorized, upon request of the authority, to expend out of any funds available for the purpose, such moneys, and to use such of its engineering or other forces, as may be necessary and desirable in the judgment of the department, for the operation of the authority and for traffic surveys, borings, surveys, preparation of plans and specifications, estimates of costs, preliminary engineering and other studies.

Section 8. Section 348.61, Florida Statutes, is amended to read:

348.61 Department may be appointed agent of authority for construction.—The department may be appointed by the authority as its agent for the purpose of constructing, reconstructing, improving, extending, or repairing the expressway system. In such event, the authority shall provide the department with complete copies of all documents, agreements, resolutions, contracts, and instruments relating thereto and shall request the department to do such construction work, including the planning, surveying, and actual construction involved, and shall transfer to the credit of an account of the department in the Treasury of the state the necessary funds therefor. The department shall then thereupon be authorized, empowered, and directed to proceed with such construction work and to use such the said funds for such purpose and in the same manner that it

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is now authorized to use the funds otherwise authorized by law for its use in construction of roads and bridges.

Section 9. Section 348.62, Florida Statutes, is amended to read:

348.62 Acquisition of lands and property.-

- (1) For the purpose of this part, The authority may acquire private or public property and property rights, including rights of access, air, view, and light, by gift, devise, purchase, or condemnation by eminent domain proceedings, as the authority deems may deem necessary for any of the purposes of this part, including, but not limited to, any lands reasonably necessary for securing applicable permits, areas necessary for management of access, borrow pits, drainage ditches, water retention areas, rest areas, and replacement access for landowners whose access is impaired due to the construction of a transportation facility. The right of eminent domain herein conferred in this subsection shall be exercised by the authority in the manner provided by law, in particular chapter 74.
- (2) The authority may acquire such rights, title, interest, or easements in such lands and property as it deems may deem necessary for any of the purposes of this part.
- (3) In connection with the acquisition of property or property rights as herein provided in this section, the authority may, in its discretion, acquire an entire lot, block, parcel, or tract of land, if by so doing the interest of the public will be best served, even though such entire lot, block, parcel, or tract is not immediately needed for the right-of-way proper.

Section 10. Sections 348.68 and 348.681, Florida Statutes,



are repealed.

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Section 11. Section 348.70, Florida Statutes, is renumbered as section 348.682, Florida Statutes, and amended to read:

348.682 <del>348.70</del> This part complete and additional authority.-

(1) The powers conferred by this part are shall be in addition and supplemental to the existing respective powers of the authority, the department, a the county, and a the city, if any, and this part does shall not repeal be construed as repealing any of the provisions of any other law, general, special, or local, but supersedes shall be deemed to supersede such other law or laws in the exercise of the powers provided in this part insofar as such other law or laws are inconsistent with the provisions of this part and to provide a complete method for the exercise of the powers granted in this part herein. The construction, reconstruction, improvement, extension, repair, maintenance, and operation of the expressway system, and the issuance of bonds under this part hereunder to finance all or part of the cost thereof, may be accomplished upon compliance with the provisions of this part without regard to or necessity for compliance with the provisions, limitations, or restrictions contained in any other general, special, or local law, including, but not limited to, s. 215.821, and no approval of any bonds issued under this part by the qualified electors or qualified electors who are freeholders in the state or in a the county or in the city or in any other political subdivision of the state is not shall be required for the issuance of such bonds.

(2) This part does not repeal, rescind, or modify any other

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law or laws relating to the State Board of Administration, the Department of Transportation, or the Division of Bond Finance of the State Board of Administration, but supersedes shall supersede such other law or laws as are inconsistent with the provisions of this part, including, but not limited to, s. 215.821.

Section 12. Subsection (2) of section 343.975, Florida Statutes, is amended to read:

343.975 Complete and additional statutory authority.-

(2) This part does not repeal, rescind, or modify any other law relating to the State Board of Administration, the Department of Transportation, the West F<u>lorida</u> <del>Tampa-</del> Hillsborough County Expressway Authority, or the Division of Bond Finance within the State Board of Administration; however, this part supersedes such other laws as are inconsistent with its provisions, including, but not limited to, s. 215.821.

Section 13. Section 348.545, Florida Statutes, is amended to read:

348.545 Facility improvement; bond financing authority. Pursuant to s. 11(f), Art. VII of the State Constitution, the Legislature hereby approves for bond financing by the West Florida Tampa-Hillsborough County Expressway Authority improvements to toll collection facilities, interchanges to the legislatively approved expressway system, and any other facility appurtenant, necessary, or incidental to the approved system. Subject to terms and conditions of applicable revenue bond resolutions and covenants, such costs may be financed in whole or in part by revenue bonds issued pursuant to s. 348.56(1)(a) or (b), whether currently issued or issued in the future, or by



a combination of such bonds.

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Section 14. Section 348.56, Florida Statutes, is amended to read:

348.56 Bonds of the authority.-

- (1) (a) Bonds may be issued on behalf of the authority pursuant to the State Bond Act.
- (b) Alternatively, the authority may shall have the power and is hereby authorized from time to time to issue bonds in such principal amount as, in the opinion of the authority, shall be necessary to provide sufficient moneys for achieving its corporate purposes, including construction, reconstruction, improvement, extension, repair, maintenance, and operation of the expressway system, the cost of acquisition of all real property, interest on bonds during construction and for a reasonable period thereafter, establishment of reserves to secure bonds, and all other expenditures of the authority incident to and necessary or convenient to carry out its corporate purposes and powers.
- (2)(a) Bonds issued by the authority pursuant to paragraph (1)(a) or paragraph (1)(b) shall be authorized by resolution of the members of the authority and shall bear such date or dates, mature at such time or times, not exceeding 40 years from their respective dates, bear interest at such rate or rates, not exceeding the maximum rate fixed by general law for authorities, be in such denominations, be in such form, either coupon or fully registered, carry such registration, exchangeability, and interchangeability privileges, be payable in such medium of payment and at such place or places, be subject to such terms of redemption, and be entitled to such priorities of lien on the

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revenues, other available moneys, and any the Hillsborough county gasoline tax funds as such resolution or any resolution subsequent thereto may provide. The bonds shall be executed either by manual or facsimile signature by such officers as the authority determines shall determine, provided that such bonds shall bear at least one signature that which is manually executed thereon. The coupons attached to such bonds shall bear the facsimile signature or signatures of such officer or officers as shall be designated by the authority. Such bonds shall have the seal of the authority affixed, imprinted, reproduced, or lithographed thereon.

- (b) The bonds issued pursuant to paragraph (1)(a) or paragraph (1)(b) shall be sold at public sale in the same manner provided in the State Bond Act. However, if the authority determines, by official action at a public meeting, that a negotiated sale of such bonds is in the best interest of the authority, the authority may negotiate the sale of such bonds with the underwriter or underwriters designated by the authority and the Division of Bond Finance within the State Board of Administration with respect to bonds issued pursuant to paragraph (1)(a) or solely by the authority with respect to bonds issued pursuant to paragraph (1)(b). The authority's determination to negotiate the sale of such bonds may be based, in part, upon the written advice of the authority's financial adviser. Pending the preparation of definitive bonds, temporary bonds or interim certificates may be issued to the purchaser or purchasers of such bonds and may contain such terms and conditions as the authority determines may determine.
  - (3) Any such resolution or resolutions authorizing any

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bonds may contain provisions that which shall be part of the contract with the holders of such bonds, as to:

- (a) The pledging of all or any part of the expressway system revenues, the Hillsborough county gasoline tax funds, or other moneys lawfully available therefor.
- (b) The construction, reconstruction, improvement, extension, repair, maintenance, operation, lease, or leasepurchase of the expressway system, or any part or parts thereof, and the duties and obligations of the authority and others, including the department, with reference thereto.
- (c) Limitations on the purposes to which the proceeds of the bonds, then or thereafter to be issued, or of any loan or grant by any federal agency or the state or any political subdivision thereof may be applied.
- (d) The fixing, charging, establishing, revising, increasing, reducing, and collecting of tolls, rates, fees, rentals, or other charges for use of the services and facilities of the expressway system or any part thereof.
- (e) The setting aside of reserves or of sinking funds and the regulation and disposition thereof.
  - (f) Limitations on the issuance of additional bonds.
- (g) The terms and provisions of any lease-purchase agreement, deed of trust, or indenture securing the bonds, or under which such bonds same may be issued.
- (h) Any other or additional matters, of like or different character $_{\tau}$  which in any way affect the security or protection of the bonds.
- (4) The authority may enter into any deeds of trust, indentures, or other agreements with any bank or trust company

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within or without the state, as security for such bonds, and may, under such agreements, assign and pledge all or any of the expressway system revenues and other available moneys, including all or any portion of any the Hillsborough county gasoline tax funds, pursuant to the terms of this part. Such deed of trust, indenture, or other agreement, may contain such provisions as are customary in such instruments or as the authority may authorize, including, but not limited to without limitation, provisions as to:

- (a) The pledging of all or any part of the expressway system revenues, any the Hillsborough county gasoline tax funds, or other moneys lawfully available therefor.
- (b) The application of funds and the safeguarding of funds on hand or on deposit.
- (c) The rights and remedies of the trustee and the holders of the bonds.
- (d) The terms and provisions of the bonds or the resolutions authorizing the issuance of such bonds the same.
- (e) Any other or additional matters, of like or different character, which in any way affect the security or protection of the bonds.
- (5) Any of The bonds issued pursuant to this part are, and are hereby declared to be, negotiable instruments, and shall have all the qualities and incidents of negotiable instruments under the law merchant and the negotiable instruments law of the state.
- (6) It is the intention hereof that any pledge made by the authority shall be valid and binding from the time when the pledge is made; that the moneys so pledged and thereafter

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received by the authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and that the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the authority, irrespective of whether such parties have notice thereof. A Neither the resolution or nor any other instrument by which a pledge is created is not required to need be recorded.

- (7) A member or other Neither the members nor any person executing the bonds is not shall be liable personally on the bonds or be subject to any personal liability or accountability by reason of the issuance thereof.
- (8) The authority may, shall have power out of any funds available therefor, to purchase bonds, which shall thereupon be canceled, at a price not exceeding, if the bonds are then redeemable, the redemption price then applicable plus accrued interest to the next date of redemption thereof, or if the bonds are not then redeemable, the redemption price applicable on the first date after such purchase upon which the bonds become subject to redemption plus accrued interest to such said date.

Section 15. Section 348.57, Florida Statutes, is amended to read:

348.57 Refunding bonds.-

(1) Subject to public notice as provided in s. 348.54, the authority may is authorized to provide by resolution for the issuance from time to time of bonds pursuant to s. 348.56(1)(b) for the purpose of refunding any bonds then outstanding regardless of whether the bonds being refunded were issued by the authority pursuant to this chapter or on behalf of the

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authority pursuant to the State Bond Act. The authority is further authorized to provide by resolution for the issuance of bonds for the combined purpose of:

- (a) Paying the cost of constructing, reconstructing, improving, extending, repairing, maintaining, and operating the expressway system.
- (b) Refunding bonds then outstanding. The authorization, sale, and issuance of such obligations, the maturities and other details thereof, the rights and remedies of the holders thereof, and the rights, powers, privileges, duties, and obligations of the authority with respect to such bonds the same shall be governed by the foregoing provisions of this part insofar as the same may be applicable.
- (2) In the event that the authority determines shall determine to issue bonds for the purpose of refunding any outstanding bonds before prior to the maturity thereof, the proceeds of such refunding bonds may, pending the redemption of the bonds to be refunded, be invested in direct obligations of the United States. It is the express intention of this part that outstanding bonds may be refunded and retired by and upon the issuance of bonds notwithstanding that all or a portion of such outstanding bonds will not mature or become redeemable until after the date of issuance of such refunding bonds.

Section 16. Section 348.58, Florida Statutes, is amended to read:

348.58 Remedies.-

(1) The rights and the remedies herein conferred upon or granted to the bondholders shall be in addition to and not in limitation of any rights and remedies lawfully granted to such

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bondholders by the resolution or resolutions or indenture providing for the issuance of bonds, or by any lease-purchase agreement, deed of trust, indenture, or other agreement under which the bonds may be issued or secured. In the event that the authority defaults shall default in the payment of the principal of or interest on any of the bonds issued pursuant to the provisions of this part after such principal of or interest on the bonds has shall have become due, whether at maturity or upon call for redemption, as provided in said resolution or indenture, or in the event that the lessee defaults shall default in any payments under, or covenants made in, any leasepurchase agreement and such default continues shall continue for a period of 30 days, or in the event that the authority or the lessee fails shall fail or refuses refuse to comply with the provisions of this part or any agreement made with, or for the benefit of, the holders of the bonds, the holders of 25 percent in aggregate principal amount of the bonds then outstanding shall be entitled as of right to the appointment of a trustee to represent such bondholders for the purposes hereof.; provided, However, that such holders of 25 percent in aggregate principal amount of the bonds then outstanding must shall have first give given written notice of their intention to appoint a trustee, to the authority and to such lessee written notice of their intention to appoint a trustee.

(2) Such trustee, and any trustee under any deed of trust, indenture, or other agreement, may, and upon written request of the holders of 25 percent, or such other percentages as may be specified in any deed of trust, indenture, or other agreement aforesaid, in principal amount of the bonds then outstanding,

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shall, in any court of competent jurisdiction, in his, her, or its own name:

- (a) By mandamus or other suit, action, or proceeding at law, or in equity, enforce all rights of the bondholders, including the right to require the authority to fix, establish, maintain, collect, and charge rates, fees, rentals, and other charges, adequate to carry out any agreement as to, or pledge of, the expressway system revenues, and to require the authority to carry out any other covenants and agreements with or for the benefit of the bondholders, and to perform its and their duties under this part.
- (b) By mandamus or other suit, action, or proceeding at law, or in equity, enforce all rights of the bondholders under or pursuant to any lease-purchase agreement, including the right to require the lessee to make all rental payments required to be made by it under the provisions of any such lease-purchase agreement, whether from the Hillsborough county gasoline tax funds or other funds so agreed to be paid and to require the lessee to carry out any other covenants and agreements with or for the benefit of the bondholders and to perform its and their duties under this part.
  - (c) Bring suit upon the bonds.
- (d) By action or suit in equity require the authority or any lessee under any lease-purchase agreement to account as if it were the trustee of an express trust for the bondholders.
- (e) By action or suit in equity, enjoin any acts or things that which may be unlawful or in violation of the rights of the bondholders.
  - (3) Any trustee when appointed as aforesaid, or acting

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under a deed of trust, indenture, or other agreement, and regardless of whether or not all bonds have been declared due and payable, shall be entitled as of right to the appointment of a receiver, who may enter upon and take possession of the expressway system or the facilities or any part or parts thereof, the expressway system revenues, and other pledged moneys and, subject to and in compliance with the provisions of any lease-purchase agreement, operate and maintain the same, for and on behalf of and in the name of  $\tau$  the authority, the lessee, and the bondholders, and collect and receive all expressway system revenues and other pledged moneys in the same manner as the authority or the lessee might do, and shall deposit all such revenues and moneys in a separate account and apply the same in such manner as the court directs shall direct. In any suit, action, or proceeding by the trustee, the fees, counsel fees, and expenses of the trustee, and such said receiver, if any, and all costs and disbursements allowed by the court shall be a first charge on any expressway system revenues. Such trustee shall, in addition to the foregoing, have and possess all of the powers necessary or appropriate for the exercise of any functions specifically set forth herein or incident to the representation of the bondholders in the enforcement and protection of their rights.

(4) Nothing in This section or any other section of this part does not shall authorize any receiver appointed pursuant hereto for the purpose, subject to and in compliance with the provisions of any lease-purchase agreement, of operating and maintaining the expressway system or any facilities or part or parts thereof, to sell, assign, mortgage, or otherwise dispose

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of any of the assets of whatever kind and character belonging to the authority. It is the intention of this part to limit the powers of such receiver, subject to and in compliance with the provisions of any lease-purchase agreement, to the operation and maintenance of the system, or any facility or part or parts thereof, as the court directs may direct, in the name and for and on behalf of the authority, the lessee, and the bondholders, and a no holder of bonds or a nor any trustee does not, shall ever have the right in any suit, action, or proceeding at law, or in equity, to compel a receiver, nor shall any receiver be authorized, or any court be empowered to direct the receiver, to sell, assign, mortgage, or otherwise dispose of any assets of whatever kind or character belonging to the authority.

Section 17. Section 348.59, Florida Statutes, is amended to read:

348.59 Traffic control.-

- (1) In addition to the powers conferred by the statutes of the state and by city the ordinances of the city, the authority may adopt is hereby authorized to promulgate such rules and regulations for the use and occupancy of the expressway system as may be necessary and proper for the public safety and convenience, for the preservation of its property, and for the collection of tolls.
- (2) The enforcement of the rules and regulations of the authority and of those provisions of the statutes and ordinances applicable to the expressway system may be by a the city police department or and sheriff of a Hillsborough county within the jurisdiction of which a transportation facility is located. + provided, However, that at the request of the authority, such

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enforcement shall also be the duty of the Florida Highway Patrol. Violators shall be apprehended and prosecuted in the same manner as provided for the apprehension and prosecution of violators of such statutes and ordinances who commit violations thereof upon streets, roads, and thoroughfares in the state.

Section 18. Section 348.63, Florida Statutes, is amended to read:

348.63 Cooperation with other units, boards, agencies, and individuals. - Express authority and power is hereby given and granted to any county, municipality, drainage district, road and bridge district, school district, or any other political subdivision, board, authority, corporation, or individual in or of the state to make and enter into with the authority, contracts, leases, conveyances, or other agreements within the provisions and purposes of this part. The authority may is hereby expressly authorized to make and enter into contracts, leases, conveyances, and other agreements with any political subdivision, agency, or instrumentality of the state and any and all federal agencies, corporations, and individuals for the purpose of carrying out the provisions of this part.

Section 19. Section 348.64, Florida Statutes, is amended to read:

348.64 Covenant of the state.—The state pledges does hereby pledge to and agrees agree with the holders from time to time of the bonds that the state will not limit or alter the rights hereby vested in the authority, the department, a the county, and a the city to collect expressway system revenues, and Hillsborough county gasoline tax funds, and any other moneys and to fulfill the terms of any agreements made with the holders of

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bonds or to in any way impair the rights and remedies of such holders until such bonds and the interest due thereon have been paid. The state <del>does</del> further pledges <del>pledge</del> to and agrees <del>agree</del> with the United States and any federal agency that, in the event any federal agency constructs shall construct or contributes contribute funds for the construction, reconstruction, extension, or improvement of the expressway system or any part thereof, the state will not alter or limit the rights of the authority, the department, a the county, or a the city in any manner which would be inconsistent with the continued maintenance or operation of the system or the construction, reconstruction, extension, or improvement thereof and which would be inconsistent with the due performance of any agreements between the authority and any such federal agency. The authority, the department, a the county, and a the city shall continue to have and may exercise all powers herein granted so long as such powers are the same shall be necessary or desirable for the carrying out of the purposes of this part.

Section 20. Section 348.65, Florida Statutes, is amended to read:

348.65 Exemption from taxation.—The effectuation of the authorized purposes of the authority created under this part isshall and will be in all respects for the benefit of the people of the state for the increase of their commerce and  $\tau$  prosperity and for the improvement of their health and living conditions. Since the authority will perform essential governmental functions in effectuating such purpose, the authority is shall not be required to pay any taxes or assessments of any kind or nature whatsoever upon any property acquired or used by it for

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such purposes or upon any expressway system revenues at any time received by it. The bonds, their transfer, and the income therefrom, including any profits made on the sale thereof, are shall at all times be free from taxation of any kind by the state or by any political subdivision or other taxing agency or instrumentality thereof. The exemption granted by this section does not apply shall not be applicable to any tax imposed by chapter 220 on interest, income, or profits on debt obligations owned by corporations.

Section 21. Section 348.67, Florida Statutes, is amended to read:

348.67 Pledges enforceable for bondholders.—It is the intent express intention of this part that any pledge of expressway system revenues, Hillsborough county gasoline tax funds, or other funds either as rentals to the authority or for the payment of the principal of and interest on bonds, or any covenant or agreement relative thereto, may be enforceable in any court of competent jurisdiction against the authority or directly against the department, a the county, or a the city, as may be appropriate.

Section 22. The Division of Law Revision is directed to replace the phrase "the effective date of this act" wherever it occurs in this act with the date the act becomes a law.

Section 23. This act shall take effect upon becoming a law.

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And the title is amended as follows: Delete everything before the enacting clause

and insert:

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A bill to be entitled An act relating to the Tampa-Hillsborough County Expressway Authority; amending s. 348.50, F.S.; renaming the Tampa-Hillsborough County Expressway Authority as the "West Florida Expressway Authority"; amending s. 348.51, F.S.; revising and defining terms; amending s. 348.52, F.S.; providing for the transfer of governance and control, property and legal rights, powers, responsibilities, and obligations from the Tampa-Hillsborough County Expressway Authority to the West Florida Expressway Authority; providing terms and conditions of the transfer; revising the composition of the governing body of the authority; revising requirements for membership, terms, and meetings; defining the term "communications media technology"; providing for expansion of the authority's jurisdictional boundaries; amending s. 348.53, F.S.; revising the purposes of the authority; authorizing the authority to construct certain facilities within the expressway system; specifying that such authorization does not extend to appurtenant facilities without the advance written consent of the owner of the underlying right-of-way; specifying that transportation facilities become part of the expressway system upon the authority governing board's designation; specifying that no such designation may be construed to include any portion of a facility as part of the expressway system without the advance written consent of the owner of the underlying right-

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of-way; amending s. 348.54, F.S.; limiting the use of certain toll revenues; providing exceptions; deleting provisions relating to interest on gasoline tax funds repaid to Hillsborough County; revising powers of the authority; amending s. 348.565, F.S.; revising projects approved for financing or refinancing through revenue bonds; amending s. 348.60, F.S.; excluding the department from the agencies with which the authority is authorized to enter into lease-purchase agreements; revising provisions relating to the pledge of surplus gasoline tax funds under a lease-purchase agreement; deleting a provision specifying that the system is part of the state road system; conforming provisions to changes made by the act; amending s. 348.61, F.S.; updating terminology; amending s. 348.62, F.S.; specifying lands and property the authority may acquire; repealing ss. 348.68 and 348.681, F.S., relating to consultation with the Hillsborough County City-County Planning Commission and design standards, respectively; renumbering and amending s. 348.70, F.S.; conforming provisions to changes made by the act; amending ss. 343.975, 348.545, 348.56, 348.57, 348.58, 348.59, 348.63, 348.64, 348.65, and 348.67, F.S.; conforming provisions to changes made by the act; providing a directive to the Division of Law Revision; providing an effective date.

By Senator Burgess

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A bill to be entitled An act relating to the Tampa-Hillsborough County Expressway Authority; amending s. 348.50, F.S.; renaming the Tampa-Hillsborough County Expressway Authority as the "West Florida Expressway Authority"; amending s. 348.51, F.S.; revising and defining terms; amending s. 348.52, F.S.; providing for the transfer of governance and control, property and legal rights, powers, responsibilities, and obligations from the Tampa-Hillsborough County Expressway Authority to the West Florida Expressway Authority; providing terms and conditions of the transfer; revising the composition of the governing body of the authority; revising requirements for membership, terms, and meetings; defining the term "communications media technology"; providing for expansion of the authority's jurisdictional boundaries; amending s. 348.53, F.S.; revising the purposes of the authority; authorizing the authority to construct certain facilities within the expressway system; amending s. 348.54, F.S.; limiting the use of certain toll revenues; providing exceptions; deleting provisions relating to interest on gasoline tax funds repaid to Hillsborough County; revising powers of the authority; amending s. 348.565, F.S.; revising projects approved for financing or refinancing through revenue bonds; amending s. 348.60, F.S.; revising provisions relating to the pledge of surplus gasoline tax funds under a lease-purchase agreement; amending s. 348.61, F.S.; updating

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30	terminology; amending s. 348.62, F.S.; specifying
31	lands and property the authority may acquire;
32	repealing ss. 348.68 and 348.681, F.S., relating to
33	consultation with the Hillsborough County City-County
34	Planning Commission and design standards,
35	respectively; renumbering and amending s. 348.70,
36	F.S.; conforming provisions to changes made by the
37	act; amending ss. 343.975, 348.545, 348.56, 348.57,
38	348.58, 348.59, 348.63, 348.64, 348.65, and 348.67,
39	F.S.; conforming provisions to changes made by the
40	act; providing a directive to the Division of Law
41	Revision; providing an effective date.
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43	Be It Enacted by the Legislature of the State of Florida:
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45	Section 1. Section 348.50, Florida Statutes, is amended to
46	read:
47	348.50 Title of law.—This part shall be known and may be
48	cited as the "West Florida Tampa-Hillsborough County Expressway
49	Authority Law."
50	Section 2. Section 348.51, Florida Statutes, is amended to
51	read:
52	348.51 Definitions.— $\underline{\text{As}}$ The following terms whenever used or
53	referred to in this part shall have the following meanings,
54	unless except in those instances where the context clearly
55	indicates otherwise, the term:
56	(1) "Agency of the state" means and includes the state and
57	any department of, or corporation, agency, or instrumentality
58	heretofore or hereafter created, designated, or established by,

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the state.

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- (2) "Authority" means the body politic, corporate, and agency of the state created by this part.
- (3) "Bonds" means and includes the notes, bonds, refunding bonds, or other evidences of indebtedness or obligations, in either temporary or definitive form, which the authority is authorized to issue pursuant to this part.

## (4) "City" means the City of Tampa.

- (4)(5) "County" means each county located within the jurisdictional limits of the authority, including the County of Hillsborough County and any expansion county, as applicable.
- (5) "County gasoline tax funds" means all the 80-percent surplus gasoline tax funds or 20-percent surplus gasoline tax funds accruing in each year to the Department of Transportation or a county, as the case may be, for use in a county under s. 9, Art. XII of the State Constitution, after deduction, if and only to the extent necessary, of any amounts of such gasoline tax funds pledged by the Department of Transportation or a county for outstanding obligations.
- (6) "Department" means the Department of Transportation  $\frac{1}{2}$
- (7) "Expansion county" means a county in which the authority constructs or acquires a transportation facility, which may include Citrus, Hernando, Manatee, Pasco, Pinellas, and Polk Counties.
- (8) "Expansion event" means the adoption of a resolution or other formal action by the governing board of the authority for the authority to construct, complete, or acquire a transportation facility located in an expansion county and to

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include the expansion county within its jurisdictional limits.

(9)(7) "Expressway system" or "system" means, generally, a modern highway system of roads, bridges, causeways, and tunnels in the metropolitan area of the city, or within any area of the county, with access limited or unlimited access as the authority may determine, and such buildings, and structures, and appurtenances, and facilities related thereto, including all approaches, streets, roads, bridges, and avenues of access for such system. A transportation facility shall become part of the expressway system of the authority upon the governing board of the authority's designation of such transportation facility as part of its expressway system.

(10) "Federal agency" means and includes the United States, the President of the United States, and any department of, or bureau, corporation, agency, or instrumentality heretofore or hereafter created, designated, or established by, the United States.

(9) "Hillsborough County gasoline tax funds" means all the 80-percent surplus gasoline tax funds or 20-percent surplus gasoline tax funds accruing in each year to the Department of Transportation or the county, as the ease may be, for use in Hillsborough County under the provisions of s. 9, Art. XII of the State Constitution, after deduction, if and only to the extent necessary, of any amounts of said gasoline tax funds heretofore pledged by the Department of Transportation or the county for outstanding obligations.

(11)-(10) "Lease-purchase agreement" or "lease purchase agreements" means a the lease-purchase agreement or agreements which the authority may execute is authorized pursuant to this

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part to execute.

(12) (11) "Members" means the governing body of the authority, and the term "member" means one of the individuals constituting such governing body.

(13)(12) "Revenues" means all tolls, revenues, rates, fees, charges, receipts, rentals, contributions, including, but not limited to, contributions of revenues from a county, municipality, or other local governmental entity, and other income derived from or in connection with the operation or ownership of the expressway system, including the proceeds of any use and occupancy insurance on any portion of the system but excluding any Hillsborough County gasoline tax funds.

(14) "Transportation facility" means the mobile and fixed assets, and the associated real or personal property or rights, used in the transportation of persons or property by any means of conveyance which the authority may acquire, construct, and equip pursuant to this part, and all appurtenances, including, but not limited to, highways; limited or controlled access lanes, avenues of access, and facilities; and administrative and other office space, for the exercise by the authority of the powers and obligations granted in this part.

(15) (13) Words importing singular number include the plural number in each case and vice versa, and words importing persons include firms and corporations.

Section 3. Section 348.52, Florida Statutes, is amended to read:

348.52  $\underline{\text{West Florida}}$   $\underline{\text{Tampa Hillsborough County}}$  Expressway Authority.—

(1) There is hereby created and established a body politic

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146	and corporate, an agency of the state, to be known as the " $\underline{\text{West}}$
147	Florida Tampa-Hillsborough County Expressway Authority."
148	(2) (a) Immediately on July 1, 2021, the West Florida
149	Expressway Authority shall assume the governance and control of
150	the expressway system operated by the former Tampa-Hillsborough
151	County Expressway Authority, including its assets, personnel,
152	contracts, obligations, liabilities, facilities, and tangible
153	and intangible property. Any rights in such property and other
154	legal rights of the former Tampa-Hillsborough County Expressway
155	Authority are transferred to the West Florida Expressway
156	Authority. The West Florida Expressway Authority shall
157	immediately succeed to and assume the powers, responsibilities,
158	and obligations of the former Tampa-Hillsborough County
159	Expressway Authority.
160	(b) The transfer pursuant to this subsection is subject to
161	the terms and covenants provided for the protection of the
162	holders of the former Tampa-Hillsborough County Expressway
163	Authority bonds in the lease-purchase agreement and the
164	resolutions adopted in connection with the issuance of the bonds
165	and any and all bonds issued pursuant to a resolution or trust
166	indenture subsequent to the lease-purchase agreement. Further,
167	the transfer does not impair the terms of the contract between
168	the West Florida Expressway Authority and the bondholders, does
169	not act to the detriment of the bondholders, and does not
170	diminish the security for the bonds. After the transfer, the
171	West Florida Expressway Authority shall operate and maintain the
172	expressway system and any other facilities of the West Florida
173	Expressway Authority in accordance with the terms, conditions,
174	and covenants contained in the bond resolutions securing the

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bonds of the authority. The West Florida Expressway Authority shall collect toll revenues and apply them to the payment of debt service as provided in the bond resolution securing all bonds and shall expressly assume all obligations relating to all bonds to ensure that the transfer has no adverse impact on the security for all bonds. The transfer does not make the obligation to pay the principal and interest on the bonds a general liability of the West Florida Expressway Authority or pledge additional expressway system revenues to payment of the bonds. Expressway system revenues that are generated by the expressway system and other facilities of the West Florida Expressway Authority which were pledged by the former Tampa-Hillsborough County Expressway Authority to payment of the bonds

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bondholders.

 $\underline{(3)}$  (2) The governing body of the authority shall  $\underline{\text{initially}}$  consist of a board of seven members  $\underline{\text{but shall be subject to}}$  increase to no more than 13 members through the addition of a  $\underline{\text{new member for each expansion county upon the expansion of the}}$  authority's jurisdiction to include such expansion county in accordance with subsection (6).

will remain subject to the pledge for the benefit of the

(a) Four of the members shall be appointed by the Governor, one of whom must be a resident of Hillsborough County, and the remainder of whom may be residents of Hillsborough County or any expansion county upon the expansion of the authority's jurisdiction to include such expansion county, subject to confirmation by the Senate at the next regular session of the Legislature. Refusal or failure of the Senate to confirm an appointment shall create a vacancy. A board member currently

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serving an unexpired term on the former Tampa-Hillsborough

County Expressway Authority as of the effective date of this act
shall continue to serve the remainder of his or her unexpired
term. Each member of the governing board, including each member
representing an expansion county, shall be subject to the
following:

- 1. Each such member's term of office shall be for 4 years or until his or her successor is shall have been appointed and qualified. However, the respective initial term of one or more members representing an expansion county may be for 2 years at the sole discretion of the governing board in order to achieve staggered terms of office for its governing board members.
- 2. A vacancy Vacancies occurring in the governing board body for any member before such members prior to the expiration of the affected term shall be filled for the unexpired term.
- 3. The Governor  $\underline{\text{may}}$  shall have the authority to remove from office any such member of the governing  $\underline{\text{board}}$  body in the manner and for cause defined by the laws of this state.
- 4. Each such member, before entering upon his or her official duties, shall take and subscribe to an oath before an some official authorized by law to administer oaths that he or she will honestly, faithfully, and impartially perform the duties devolving upon him or her in office as a member of the governing board body of the authority and that he or she will not neglect any duties imposed upon him or her by this part.
- (b) One member shall be the mayor, or the mayor's <u>designee</u> designate, who shall be the chair of the city council of the city in Hillsborough County having the largest population, according to the latest decennial census, who shall serve as a

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233 member ex officio.

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- (c) One member shall be a member of the Board of County Commissioners of Hillsborough County, selected by such board, who shall serve as a member ex officio.
- (d) One member shall be the district secretary of the department of Transportation serving in the district that contains Hillsborough County, who shall serve <u>as a member</u> ex officio.
- (e) After the occurrence of an expansion event in a particular expansion county, the governing board shall be increased by one additional ex officio voting member for each such expansion county, which member must be a member of the board of county commissioners of such expansion county, selected by such board of county commissioners. Such increase in board membership shall become effective on the date that such expansion county member takes the oath required under subparagraph (a) 4.
- (4) (3) The authority shall designate one of its members as chair. The members of the authority are shall not be entitled to compensation but are shall be entitled to receive their travel and other necessary expenses as provided in s. 112.061. A majority of the members of the authority shall constitute a quorum, and resolutions enacted or adopted by a vote of a majority of the members present and voting at any meeting shall become effective without publication or posting or any further action of the authority.
- (5) Authority meetings and workshops may be conducted using communications media technology. The notice for any such public meeting or workshop shall state that the meeting or workshop

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262	will be conducted through the use of communications media
263	technology, specify how persons interested in attending may do
264	so, and provide a location where communications media technology
265	facilities are available. The participation by a member in an
266	authority meeting or workshop conducted using communications
267	media technology constitutes that member's presence at such
268	meeting or workshop and shall count toward a quorum. For
269	purposes of this subsection, the term "communications media
270	technology" means conference telephone, video conference, or
271	other communications technology by which all persons attending a
272	public meeting or workshop may audibly communicate.
273	(6) The authority's jurisdictional boundaries shall be
274	automatically expanded to include any one or more expansion
275	counties upon the occurrence of an expansion. However, an
276	expansion event must occur on or before:
277	(a) The date that the authority makes a final written
278	determination to undertake a transportation facility located in
279	the jurisdictional limits of an expansion county by adding
280	elements of the study, design, engineering, acquisition,
281	construction, or equipping of such transportation facility to
282	its work plan; or
283	(b) The effective date that the authority becomes the owner
284	of a transportation facility located in the jurisdictional
285	limits of an expansion county.
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287	A delay in the designation of an expansion county board member
288	shall not affect the expansion of the authority's jurisdiction
289	under this part.
290	(7) <del>(4)</del> The authority may employ a secretary and executive

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director, its own counsel and legal staff, and such legal, financial, and other professional consultants, technical experts, engineers, and employees, permanent or temporary, as it may require and may determine the qualifications and fix the compensation of such persons, firms, or corporations. The authority may contract with the Division of Bond Finance of the State Board of Administration for any financial services authorized herein.

(8) (5) The authority may delegate to one or more of its officers or employees such of its powers as it <u>deems</u> shall deem necessary to carry out the purposes of this part, subject always to the supervision and control of the authority. <u>A member</u> Members of the <u>governing board</u> authority may be removed from their office by the Governor for misconduct, malfeasance, misfeasance, or and nonfeasance in office.

Section 4. Section 348.53, Florida Statutes, is amended to read:

348.53 Purposes of the authority.-

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(1) The purposes of the authority are, and the authority has the is created for the purposes and shall have power, to construct, reconstruct, improve, extend, repair, maintain, and operate the expressway system. It is hereby found and declared that such purposes are in all respects for the benefit of the people of the State of Florida, the City of Tampa, and the West Florida region County of Hillsborough for the increase of their pleasure, convenience, and welfare; for the improvement of their health; and to facilitate transportation, including managed lanes and other transit supporting facilities, for their recreation and commerce and for the common defense. The

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320	authority is performing a public purpose and a governmental
321	function in carrying out its corporate purpose and in exercising
322	the powers granted in this section herein.
323	(2) In the construction of the expressway system, the
324	authority may construct any extensions, additions, or
325	improvements to the system or appurtenant facilities, including
326	all necessary approaches, roads, bridges, avenues of access, and
327	boulevards, with any changes, modifications, or revisions of any
328	project which are deemed desirable and proper.
329	Section 5. Section 348.54, Florida Statutes, is amended to
330	read:
331	348.54 Powers of the authority.—Except as otherwise limited
332	herein, the authority shall have the power:
333	(1) To sue and be sued, implead and be impleaded, $\underline{\text{and}}$
334	complain and defend in all courts.
335	(2) To adopt, use $\underline{}$ and alter at will $\overline{}$ a seal.
336	(3) To acquire, purchase, hold, lease as lessee, and use
337	any franchise, property, real, personal or mixed, tangible or
338	intangible, or any interest therein, necessary or desirable for
339	carrying out the purposes of the authority, and to sell, lease
340	as lessor, transfer $\underline{\hspace{0.1in}}$ and dispose of any property or interest
341	therein at any time acquired by it.
342	(4) To construct, reconstruct, or improve on or along the
343	<pre>expressway system suitable facilities for gas stations,</pre>
344	restaurants $\underline{}$ and other facilities for the public $\underline{}$ Such
345	facilities may be publicly offered for leasing for operation
346	under rules and regulations to be established by the authority.
347	(5) To enter into and make lease-purchase agreements as
348	provided in s. 348.60 for terms not exceeding 40 years, or until

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all bonds secured by a pledge thereunder, and all refundings thereof, are fully paid as to both principal and interest, whichever is longer.

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- (6) To fix, alter, charge, establish, and collect tolls, rates, fees, rentals, and other charges for the services and facilities of the expressway system, which tolls, rates, fees, rentals, and other charges shall always be sufficient to comply with any covenants made with the holders of any bonds. + provided, However, that such right and power, or any part thereof, may be assigned or  $delegated_T$  by the authority, to the lessee under a lease-purchase agreement. Toll revenues attributable to a toll rate increase for the use of a portion of the expressway system that become effective on or after the date that the jurisdiction of the authority is first expanded to include any one or more expansion counties may not be used to construct or expand a different portion of the system unless a two-thirds majority of the members of the authority governing board, determined as of the time of such vote, votes to approve such use. This requirement does not apply if and to the extent that application of the requirement would:
- (a) Violate any covenant established in a resolution or trust indenture under which bonds were issued by the authority on or before the first date that the authority's jurisdiction is expanded to include one or more expansion counties; or
- (b) Cause the authority to be unable to meet its obligations under the terms of the October 2012 memorandum of agreement between the authority and the department.
- (7) To borrow money and to make and issue negotiable bonds, notes, refunding bonds, and other evidences of indebtedness or

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obligations, either in temporary or definitive form, referred to hereinafter in this chapter referred to as "bonds of the authority," for the purpose of financing all or part of the improvement or extension of the expressway system and appurtenant facilities, including all approaches, streets, roads, bridges, and avenues of access for the expressway system, and for any other purpose authorized by this part, and to provide for the rights of the holders thereof.

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(8) To secure the payment of bonds by a pledge of all or any portion of the expressway system revenues or such other moneys legally available therefor and of all or any portion of a county's the Hillsborough County gasoline tax funds in the manner provided by this part; and in general to provide for the security of the bonds and the rights and remedies of the holders thereof. Interest upon the amount of gasoline tax funds to be repaid to the county pursuant to s. 348.60 shall be payable, at the highest rate applicable to any outstanding bonds of the authority, out of revenues and other available moneys not required to meet the authority's obligations to its bondholders. The authority may not, shall have no power at any time or in any manner, to pledge the credit or taxing power of the state or any political subdivision or agency thereof, including a the city and a the county, nor shall any of the authority's obligations be deemed to be obligations of the state or of any political subdivision or agency thereof, nor shall the state or any political subdivision or agency thereof, except the authority, be liable for the payment of the principal of or interest on such obligations.

(9) To make contracts of every name and nature and to

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execute all instruments necessary or convenient for the carrying on of its business.

- (10) Without limitation of the foregoing, to borrow money and accept gifts or grants from, and to enter into contracts, leases, or other transactions with, any federal agency, the state, any agency of the state, <u>a</u> the county, <u>a</u> the city, or with any other public body of the state or any other person and to comply with the terms and conditions thereof.
  - (11) To have the power Of eminent domain.

- (12) To construct and maintain over, under, along, or across the expressway system, telephone, telegraph, television, electric power, and other wires or cables, pipelines, water mains, and other conduits and mechanical equipment, not inconsistent with the appropriate use of the system, or to contract for such construction, and upon such terms and conditions as the authority determines shall determine, to lease all or any part of such property and facilities or the right to use such property and facilities the same whether such facilities are constructed by the authority or under a contract for such construction, for a period of not more than 20 years from the date when such lease is made.
- (13) To do all acts and things necessary or convenient for the conduct of its business and the general welfare of the authority, in order to carry out the powers granted to it by this part or any other law.
- (14) To enter into partnerships, contracts, and agreements, including, but not limited to, interlocal agreements, with any federal, state, or local governmental entity with respect to the purposes of this part.

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Before entering into any sale, lease, transfer, or disposition of its real properties under subsection (3), leasing any of its facilities under subsection (4), or taking final action under subsection (7), the authority shall give notice thereof by publication on at least 5 separate days in a newspaper of general circulation in the affected county. Such notice shall state the place and time, not less than 14 days after the first such publication, when objections may be filed with and heard by the authority.

(14) Prior to entering into any sale, lease, transfer or disposition of its real properties pursuant to subsection (3), leasing any of its facilities pursuant to subsection (4), or taking final action under subsection (7), the authority shall give notice thereof by publication on at least 5 separate days, in a newspaper of general circulation in the county. Such notice shall state the place and time, not less than 14 days following the first such publication, when objections may be filed with and heard by the authority.

(15) With the consent of the county within whose jurisdiction the activities occur, to construct, operate, and maintain roads, bridges, avenues of access, thoroughfares, and boulevards and managed lanes and other transit supporting facilities outside of the jurisdictional boundaries of Hillsborough County and within the jurisdictional boundaries of counties contiguous to Hillsborough County, together with the right to construct, repair, replace, operate, install, and maintain such facilities and electronic toll payment systems thereon or incidental thereto, with all necessary and incidental

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powers to accomplish the foregoing.

Section 6. Section 348.565, Florida Statutes, is amended to read:

348.565 Revenue bonds for specified projects.—The existing facilities that constitute the Tampa Hillsborough County expressway system are hereby approved to be refinanced by revenue bonds issued by the Division of Bond Finance of the State Board of Administration pursuant to s. 11(f), Art. VII of the State Constitution and the State Bond Act or by revenue bonds issued by the authority pursuant to s. 348.56(1)(b). In addition, the capital projects that the authority is authorized to acquire, construct, reconstruct, equip, operate, and maintain under this part following projects of the Tampa Hillsborough County Expressway Authority are approved to be financed or refinanced by the issuance of revenue bonds in accordance with this part and s. 11(f), Art. VII of the State Constitution:

- (1) Brandon area feeder roads.
- (2) Capital improvements to the expressway system, including safety and operational improvements and toll collection equipment.
- (3) Lee Roy Selmon Crosstown Expressway System widening, and any extensions thereof.
- (4) The connector highway linking the Lee Roy Selmon Crosstown Expressway to Interstate 4.
- (5) Capital projects that the authority is authorized to acquire, construct, reconstruct, equip, operate, and maintain pursuant to this part, including, without limitation, s. 348.54(15), provided that any financing of such projects does not pledge the full faith and credit of the state.

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Section 7. Section 348.60, Florida Statutes, is amended to read:

348.60 Lease-purchase agreements.-

- (1) In order to effectuate the purposes of this part, the authority may enter into lease-purchase agreements with  $\underline{a}$  the city,  $\underline{a}$  the county,  $\underline{or}$  the state or any agency thereof, including the department, and any federal agency relating to and covering the expressway system or any portion thereof.
- (2) Such lease-purchase agreements may provide for the leasing of the expressway system or any portion thereof by the authority as lessor to any one or more of the aforementioned governmental entities or agencies as lessee, shall prescribe the term of such lease and the rentals to be paid thereunder, and may provide that upon the completion of the faithful performance thereunder and the termination of such lease-purchase agreements, title in fee simple absolute to the expressway system, as then constituted, shall be transferred in accordance with law by the authority to such lessee or otherwise as provided in such agreements. In the event of such transfer to the lessee, the authority shall deliver to such lessee such deeds and conveyances as shall be necessary or convenient to vest title in fee simple absolute in such lessee.
- (3) The lease-purchase agreements may include such other provisions, agreements, and covenants as the authority and the lessee deem advisable or necessary, including, but not limited to, provisions with respect to bonds; the construction, reconstruction, extension, improvements, operation, repair, and maintenance of the expressway system; the expenses and costs of operation of the system and of the authority; the charging and

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collecting of tolls, rates, fees, and other charges for the use of the services and facilities thereof; the application of federal, state, or other grants or aid that which may be made or given to assist the authority;  $\tau$  the enforcement of payment and collection of rentals; and any other terms, provisions, or covenants necessary, incidental, or convenient to the making of and full performance under such lease-purchase agreements.

- (a) In the event the department is a lessee under any such lease-purchase agreement, the department may it is authorized to pay as rentals thereunder in addition to the expressway system revenues accruing thereto from the operation of the expressway system, all or any portion of the Hillsborough county gasoline tax funds and may also pay as rentals any appropriations received by the department pursuant to any act of the Legislature, heretofore or hereafter enacted; provided, However, that nothing herein or nor in such lease-purchase agreement requires shall be construed to require the Legislature to make or continue such appropriations, and a nor shall any holder of bonds does not ever have any right to require the Legislature to make or continue such appropriations.
- (b) In the event a the county is a lessee under any such lease-purchase agreement, the county may it shall be authorized to pay as rentals thereunder in addition to the expressway revenues accruing to the county from the operation of the expressway system all or any part of the 20-percent surplus gasoline tax funds accruing to the Hillsborough county.
- (4) A No pledge of either the 80-percent surplus gasoline tax funds or the 20 percent surplus gasoline tax funds under any such lease-purchase agreement may not shall be made without the

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20211660 552 consent of the county evidenced by a resolution duly adopted by 553 its board of county commissioners, which resolution may 554 authorize the execution and delivery of an interlocal agreement 555 between the authority and the county setting forth the terms and provisions for the use by the authority of any such gasoline tax 556 557 funds nor unless the revenues pledged under any such lease-558 purchase agreements are estimated by the authority to aggregate 559 during the term of such lease-purchase agreements not less than the principal amount of the bonds secured thereunder plus 560 561 interest thereon. Such resolution, among other things shall 562 provide that any excess of such pledge of the Hillsborough County gasoline tax funds which is not required for debt service 563 or reserves for such debt service for any bonds shall be 564 565 returned annually to the appropriate board or agency for 566 distribution to the county as provided by law; and shall 567 provide, further, that any Hillsborough County gasoline tax funds actually expended for such debt service, shall be repaid 568 with interest out of revenues and other available moneys not 569 570 required to meet the authority's obligations to its bondholders, 571 as determined by the authority.

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(5) A Any lessee under any such lease-purchase agreement may agreements shall have power to covenant therein that it will pay all or any part of the cost of the operation, maintenance, repair, renewal, and replacement of the expressway system, and any part of the cost of completing such system, to the extent that the proceeds of bonds issued therefor are insufficient, from sources other than expressway system revenues and Hillsborough county gasoline tax funds. Any Such lessee may also agree to make such other payments from moneys available to a the

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county, <u>a</u> the city, the authority, or the department in connection with the construction or completion of the expressway such system as shall be deemed by such lessee to be fair and proper under any such covenants heretofore or hereafter entered into.

(6) The <u>expressway</u> system shall be a part of the state road system. The department  $\underline{may}$  is hereby authorized, upon request of the authority, to expend out of any funds available for the purpose, such moneys, and to use such of its engineering or other forces, as may be necessary and desirable in the judgment of the department, for the operation of the authority and for traffic surveys, borings, surveys, preparation of plans and specifications, estimates of costs, preliminary engineering, and other studies.

Section 8. Section 348.61, Florida Statutes, is amended to read:

348.61 Department may be appointed agent of authority for construction.—The department may be appointed by the authority as its agent for the purpose of constructing, reconstructing, improving, extending, or repairing the expressway system. In such event, the authority shall provide the department with complete copies of all documents, agreements, resolutions, contracts, and instruments relating thereto and shall request the department to do such construction work, including the planning, surveying, and actual construction involved, and shall transfer to the credit of an account of the department in the Treasury of the state the necessary funds therefor. The department shall then thereupon be authorized, empowered, and directed to proceed with such construction work and to use such

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the said funds for such purpose and in the same manner that it is now authorized to use the funds otherwise authorized by law for its use in construction of roads and bridges.

Section 9. Section 348.62, Florida Statutes, is amended to read:

348.62 Acquisition of lands and property.-

- (1) For the purpose of this part, The authority may acquire private or public property and property rights, including rights of access, air, view, and light, by gift, devise, purchase, or condemnation by eminent domain proceedings, as the authority deems may deem necessary for any of the purposes of this part, including, but not limited to, any lands reasonably necessary for securing applicable permits, areas necessary for management of access, borrow pits, drainage ditches, water retention areas, rest areas, and replacement access for landowners whose access is impaired due to the construction of a transportation facility. The right of eminent domain herein conferred in this subsection shall be exercised by the authority in the manner provided by law, in particular chapter 74.
- (2) The authority may acquire such rights, title, interest, or easements in such lands and property as it  $\underline{\text{deems}}$   $\underline{\text{may deem}}$  necessary for  $\underline{\text{any of}}$  the purposes of this part.
- (3) In connection with the acquisition of property or property rights as herein provided in this section, the authority may, in its discretion, acquire an entire lot, block, parcel, or tract of land, if by so doing the interest of the public will be best served, even though such entire lot, block, parcel, or tract is not immediately needed for the right-of-way proper.

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Section 10. Sections 348.68 and 348.681, Florida Statutes, are repealed.

Section 11. Section 348.70, Florida Statutes, is renumbered as section 348.682, Florida Statutes, and amended to read:

348.682 348.70 This part complete and additional

348.682 348.70 This part complete and additional authority.—

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(1) The powers conferred by this part are shall be in addition and supplemental to the existing respective powers of the authority, the department, a the county, and a the city, if any, and this part does shall not repeal be construed as repealing any of the provisions of any other law, general, special, or local, but supersedes shall be deemed to supersede such other law or laws in the exercise of the powers provided in this part insofar as such other law or laws are inconsistent with the provisions of this part and to provide a complete method for the exercise of the powers granted in this part herein. The construction, reconstruction, improvement, extension, repair, maintenance, and operation of the expressway system, and the issuance of bonds under this part hereunder to finance all or part of the cost thereof, may be accomplished upon compliance with the provisions of this part without regard to or necessity for compliance with the provisions, limitations, or restrictions contained in any other general, special, or local law, including, but not limited to, s. 215.821, and no approval of any bonds issued under this part by the qualified electors or qualified electors who are freeholders in the state or in a the county or in the city or in any other political subdivision of the state is not shall be required for the issuance of such bonds.

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(2) This part does not repeal rescind or modify any other

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(2) This part does not repeal, rescind, or modify any other law or laws relating to the State Board of Administration, the Department of Transportation, or the Division of Bond Finance of the State Board of Administration, but supersedes shall supersede such other law or laws as are inconsistent with the provisions of this part, including, but not limited to, s. 215.821.

Section 12. Subsection (2) of section 343.975, Florida Statutes, is amended to read:

343.975 Complete and additional statutory authority.-

(2) This part does not repeal, rescind, or modify any other law relating to the State Board of Administration, the Department of Transportation, the West Florida Tampa Hillsborough County Expressway Authority, or the Division of Bond Finance within the State Board of Administration; however, this part supersedes such other laws as are inconsistent with its provisions, including, but not limited to, s. 215.821.

Section 13. Section 348.545, Florida Statutes, is amended to read:

348.545 Facility improvement; bond financing authority.—
Pursuant to s. 11(f), Art. VII of the State Constitution, the
Legislature hereby approves for bond financing by the West
Florida Tampa-Hillsborough County Expressway Authority
improvements to toll collection facilities, interchanges to the
legislatively approved expressway system, and any other facility
appurtenant, necessary, or incidental to the approved system.
Subject to terms and conditions of applicable revenue bond
resolutions and covenants, such costs may be financed in whole
or in part by revenue bonds issued pursuant to s. 348.56(1)(a)

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or (b), whether currently issued or issued in the future, or by a combination of such bonds.

Section 14. Section 348.56, Florida Statutes, is amended to read:

348.56 Bonds of the authority.-

- (1)(a) Bonds may be issued on behalf of the authority pursuant to the State Bond Act.
- (b) Alternatively, the authority may shall have the power and is hereby authorized from time to time to issue bonds in such principal amount as, in the opinion of the authority, shall be necessary to provide sufficient moneys for achieving its corporate purposes, including construction, reconstruction, improvement, extension, repair, maintenance, and operation of the expressway system, the cost of acquisition of all real property, interest on bonds during construction and for a reasonable period thereafter, establishment of reserves to secure bonds, and all other expenditures of the authority incident to and necessary or convenient to carry out its corporate purposes and powers.
- (2) (a) Bonds issued by the authority pursuant to paragraph (1) (a) or paragraph (1) (b) shall be authorized by resolution of the members of the authority and shall bear such date or dates, mature at such time or times, not exceeding 40 years from their respective dates, bear interest at such rate or rates, not exceeding the maximum rate fixed by general law for authorities, be in such denominations, be in such form, either coupon or fully registered, carry such registration, exchangeability, and interchangeability privileges, be payable in such medium of payment and at such place or places, be subject to such terms of

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redemption, and be entitled to such priorities of lien on the revenues, other available moneys, and any the Hillsborough county gasoline tax funds as such resolution or any resolution subsequent thereto may provide. The bonds shall be executed either by manual or facsimile signature by such officers as the authority determines shall determine, provided that such bonds shall bear at least one signature that which is manually executed thereon. The coupons attached to such bonds shall bear the facsimile signature or signatures of such officer or officers as shall be designated by the authority. Such bonds shall have the seal of the authority affixed, imprinted, reproduced, or lithographed thereon.

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(b) The bonds issued pursuant to paragraph (1)(a) or paragraph (1) (b) shall be sold at public sale in the same manner provided in the State Bond Act. However, if the authority determines, by official action at a public meeting, that a negotiated sale of such bonds is in the best interest of the authority, the authority may negotiate the sale of such bonds with the underwriter or underwriters designated by the authority and the Division of Bond Finance within the State Board of Administration with respect to bonds issued pursuant to paragraph (1)(a) or solely by the authority with respect to bonds issued pursuant to paragraph (1)(b). The authority's determination to negotiate the sale of such bonds may be based, in part, upon the written advice of the authority's financial adviser. Pending the preparation of definitive bonds, temporary bonds or interim certificates may be issued to the purchaser or purchasers of such bonds and may contain such terms and conditions as the authority determines may determine.

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(3) Any such resolution or resolutions authorizing any bonds may contain provisions that which shall be part of the contract with the holders of such bonds, as to:

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- (a) The pledging of all or any part of the expressway system revenues, the Hillsborough county gasoline tax funds, or other moneys lawfully available therefor.
- (b) The construction, reconstruction, improvement, extension, repair, maintenance, operation, lease, or leasepurchase of the expressway system, or any part or parts thereof, and the duties and obligations of the authority and others, including the department, with reference thereto.
- (c) Limitations on the purposes to which the proceeds of the bonds, then or thereafter to be issued, or of any loan or grant by any federal agency or the state or any political subdivision thereof may be applied.
- (d) The fixing, charging, establishing, revising, increasing, reducing, and collecting of tolls, rates, fees, rentals, or other charges for use of the services and facilities of the expressway system or any part thereof.
- (e) The setting aside of reserves or of sinking funds and the regulation and disposition thereof.
  - (f) Limitations on the issuance of additional bonds.
- (g) The terms and provisions of any lease-purchase agreement, deed of trust, or indenture securing the bonds, or under which such bonds same may be issued.
- (h) Any other or additional matters<sub>7</sub> of like or different character, which in any way affect the security or protection of the bonds.
  - (4) The authority may enter into any deeds of trust,

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784 indentures, or other agreements with any bank or trust company 785 within or without the state, as security for such bonds, and 786 may, under such agreements, assign and pledge all or any of the expressway system revenues and other available moneys, including all or any portion of any the Hillsborough county gasoline tax 788 789 funds, pursuant to the terms of this part. Such deed of trust, indenture, or other agreement, may contain such provisions as are customary in such instruments or as the authority may 792 authorize, including, but not limited to without limitation, 793 provisions as to:

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- (a) The pledging of all or any part of the expressway system revenues, any the Hillsborough county gasoline tax funds, or other moneys lawfully available therefor.
- (b) The application of funds and the safeguarding of funds on hand or on deposit.
- (c) The rights and remedies of the trustee and the holders of the bonds.
- (d) The terms and provisions of the bonds or the resolutions authorizing the issuance of such bonds the same.
- (e) Any other or additional matters, of like or different character, which in any way affect the security or protection of the bonds.
- (5) Any of The bonds issued pursuant to this part are, and are hereby declared to be, negotiable instruments, and shall have all the qualities and incidents of negotiable instruments under the law merchant and the negotiable instruments law of the state.
- (6) It is the intention hereof that any pledge made by the authority shall be valid and binding from the time when the

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pledge is made; that the moneys so pledged and thereafter received by the authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and that the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the authority, irrespective of whether such parties have notice thereof. A Neither the resolution or nor any other instrument by which a pledge is created is not required to need be recorded.

- (7) A member or other Neither the members nor any person executing the bonds is not shall be liable personally on the bonds or be subject to any personal liability or accountability by reason of the issuance thereof.
- (8) The authority <u>may</u>, <u>shall have power</u> out of any funds available therefor, to purchase bonds, which shall thereupon be canceled, at a price not exceeding, if the bonds are then redeemable, the redemption price then applicable plus accrued interest to the next date of redemption thereof, or if the bonds are not then redeemable, the redemption price applicable on the first date after such purchase upon which the bonds become subject to redemption plus accrued interest to <u>such</u> said date.

Section 15. Section 348.57, Florida Statutes, is amended to read:

348.57 Refunding bonds.-

(1) Subject to public notice as provided in s. 348.54, the authority  $\underline{\text{may}}$  is authorized to provide by resolution for the issuance from time to time of bonds pursuant to s. 348.56(1)(b) for the purpose of refunding any bonds then outstanding regardless of whether the bonds being refunded were issued by

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842	the authority pursuant to this chapter or on behalf of the
843	authority pursuant to the State Bond Act. The authority is
844	further authorized to provide by resolution for the issuance of
845	bonds for the combined purpose of:
846	(a) Paying the cost of constructing, reconstructing,
847	improving, extending, repairing, maintaining, and operating the
848	expressway system.
849	(b) Refunding bonds then outstanding. The authorization,
850	sale, and issuance of such obligations, the maturities and other
851	details thereof, the rights and remedies of the holders thereof,
852	and the rights, powers, privileges, duties $\underline{\ }$ and obligations of
853	the authority with respect to <u>such bonds</u> the same shall be
854	governed by the foregoing provisions of this part insofar as the
855	same may be applicable.
856	(2) In the event that the authority <u>determines</u> shall
857	determine to issue bonds for the purpose of refunding any
858	outstanding bonds $\underline{\text{before}}$ $\underline{\text{prior to}}$ the maturity thereof, the
859	proceeds of such refunding bonds may, pending the redemption of
860	the bonds to be refunded, be invested in direct obligations of
861	the United States. It is the express intention of this part that
862	outstanding bonds may be refunded and retired by and upon the
863	issuance of bonds notwithstanding that all or a portion of such

Section 16. Section 348.58, Florida Statutes, is amended to read:

348.58 Remedies.-

(1) The rights and the remedies herein conferred upon or granted to the bondholders shall be in addition to and not in

outstanding bonds will not mature or become redeemable until

after the date of issuance of such refunding bonds.

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limitation of any rights and remedies lawfully granted to such bondholders by the resolution or resolutions or indenture providing for the issuance of bonds, or by any lease-purchase agreement, deed of trust, indenture, or other agreement under which the bonds may be issued or secured. In the event that the authority defaults shall default in the payment of the principal of or interest on any of the bonds issued pursuant to the provisions of this part after such principal of or interest on the bonds has shall have become due, whether at maturity or upon call for redemption, as provided in said resolution or indenture, or in the event that the lessee defaults shall default in any payments under, or covenants made in, any leasepurchase agreement and such default continues shall continue for a period of 30 days, or in the event that the authority or the lessee fails shall fail or refuses refuse to comply with the provisions of this part or any agreement made with, or for the benefit of, the holders of the bonds, the holders of 25 percent in aggregate principal amount of the bonds then outstanding shall be entitled as of right to the appointment of a trustee to represent such bondholders for the purposes hereof.; provided, However, that such holders of 25 percent in aggregate principal amount of the bonds then outstanding must shall have first give given written notice of their intention to appoint a trustee, to the authority and to such lessee written notice of their intention to appoint a trustee.

(2) Such trustee, and any trustee under any deed of trust, indenture, or other agreement, may, and upon written request of the holders of 25 percent, or such other percentages as may be specified in any deed of trust, indenture, or other agreement

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aforesaid, in principal amount of the bonds then outstanding,
shall, in any court of competent jurisdiction, in his, her, or
its own name:

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- (a) By mandamus or other suit, action, or proceeding at law, or in equity, enforce all rights of the bondholders, including the right to require the authority to fix, establish, maintain, collect, and charge rates, fees, rentals, and other charges, adequate to carry out any agreement as to, or pledge of, the expressway system revenues, and to require the authority to carry out any other covenants and agreements with or for the benefit of the bondholders, and to perform its and their duties under this part.
- (b) By mandamus or other suit, action, or proceeding at law, or in equity, enforce all rights of the bondholders under or pursuant to any lease-purchase agreement, including the right to require the lessee to make all rental payments required to be made by it under the provisions of any such lease-purchase agreement, whether from the Hillsborough county gasoline tax funds or other funds so agreed to be paid and to require the lessee to carry out any other covenants and agreements with or for the benefit of the bondholders and to perform its and their duties under this part.
  - (c) Bring suit upon the bonds.
- (d) By action or suit in equity require the authority or any lessee under any lease-purchase agreement to account as if it were the trustee of an express trust for the bondholders.
- (e) By action or suit in equity, enjoin any acts or things that which may be unlawful or in violation of the rights of the bondholders.

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- (3) Any trustee when appointed as aforesaid, or acting under a deed of trust, indenture, or other agreement, and regardless of whether or not all bonds have been declared due and payable, shall be entitled as of right to the appointment of a receiver, who may enter upon and take possession of the expressway system or the facilities or any part or parts thereof, the expressway system revenues, and other pledged moneys and, subject to and in compliance with the provisions of any lease-purchase agreement, operate and maintain the same, for and on behalf of and in the name of, the authority, the lessee, and the bondholders, and collect and receive all expressway system revenues and other pledged moneys in the same manner as the authority or the lessee might do, and shall deposit all such revenues and moneys in a separate account and apply the same in such manner as the court directs shall direct. In any suit, action, or proceeding by the trustee, the fees, counsel fees, and expenses of the trustee, and such said receiver, if any, and all costs and disbursements allowed by the court shall be a first charge on any expressway system revenues. Such trustee shall, in addition to the foregoing, have and possess all of the powers necessary or appropriate for the exercise of any functions specifically set forth herein or incident to the representation of the bondholders in the enforcement and protection of their rights.
- (4) Nothing in This section or any other section of this part does not shall authorize any receiver appointed pursuant hereto for the purpose, subject to and in compliance with the provisions of any lease-purchase agreement, of operating and maintaining the expressway system or any facilities or part or

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parts thereof, to sell, assign, mortgage, or otherwise dispose of any of the assets of whatever kind and character belonging to the authority. It is the intention of this part to limit the powers of such receiver, subject to and in compliance with the provisions of any lease-purchase agreement, to the operation and maintenance of the system, or any facility or part or parts thereof, as the court directs may direct, in the name and for and on behalf of the authority, the lessee, and the bondholders, and a no holder of bonds or a nor any trustee does not, shall ever have the right in any suit, action, or proceeding at law, or in equity, to compel a receiver, nor shall any receiver be authorized, or any court be empowered to direct the receiver, to sell, assign, mortgage, or otherwise dispose of any assets of whatever kind or character belonging to the authority.

Section 17. Section 348.59, Florida Statutes, is amended to read:

348.59 Traffic control.-

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- (1) In addition to the powers conferred by the statutes of the state and by city the ordinances of the city, the authority may adopt is hereby authorized to promulgate such rules and regulations for the use and occupancy of the expressway system as may be necessary and proper for the public safety and convenience, for the preservation of its property, and for the collection of tolls.
- (2) The enforcement of the rules and regulations of the authority and of those provisions of the statutes and ordinances applicable to the expressway system may be by  $\underline{a}$  the city police department  $\underline{or}$  and sheriff of  $\underline{a}$  Hillsborough county within the jurisdiction of which a transportation facility is located.

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provided, However, that at the request of the authority, such
enforcement shall also be the duty of the Florida Highway
Patrol. Violators shall be apprehended and prosecuted in the
same manner as provided for the apprehension and prosecution of
violators of such statutes and ordinances who commit violations
thereof upon streets, roads, and thoroughfares in the state.

Section 18. Section 348.63, Florida Statutes, is amended to read:

348.63 Cooperation with other units, boards, agencies, and individuals.—Express authority and power is hereby given and granted to any county, municipality, drainage district, road and bridge district, school district, or any other political subdivision, board, authority, corporation, or individual in or of the state to make and enter into with the authority, contracts, leases, conveyances, or other agreements within the provisions and purposes of this part. The authority may is hereby expressly authorized to make and enter into contracts, leases, conveyances, and other agreements with any political subdivision, agency, or instrumentality of the state and any and all federal agencies, corporations, and individuals for the purpose of carrying out the provisions of this part.

Section 19. Section 348.64, Florida Statutes, is amended to read:

348.64 Covenant of the state.—The state <u>pledges</u> does hereby pledge to and <u>agrees</u> agree with the holders from time to time of the bonds that the state will not limit or alter the rights hereby vested in the authority, the department, <u>a</u> the county, and <u>a</u> the city to collect <u>expressway system</u> revenues, and Hillsborough county gasoline tax funds, and any other moneys and

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20-00738A-21 20211660 1016 to fulfill the terms of any agreements made with the holders of 1017 bonds or to in any way impair the rights and remedies of such 1018 holders until such bonds and the interest due thereon have been 1019 paid. The state does further pledges pledge to and agrees agree 1020 with the United States and any federal agency that, in the event 1021 any federal agency constructs shall construct or contributes 1022 contribute funds for the construction, reconstruction, 1023 extension, or improvement of the expressway system or any part 1024 thereof, the state will not alter or limit the rights of the 1025 authority, the department, a the county, or a the city in any 1026 manner which would be inconsistent with the continued 1027 maintenance or operation of the system or the construction, 1028 reconstruction, extension, or improvement thereof and which 1029 would be inconsistent with the due performance of any agreements 1030 between the authority and any such federal agency. The 1031 authority, the department, a the county, and a the city shall 1032 continue to have and may exercise all powers herein granted so 1033 long as such powers are the same shall be necessary or desirable 1034 for the carrying out of the purposes of this part. 1035 Section 20. Section 348.65, Florida Statutes, is amended to 1036 read: 1037 348.65 Exemption from taxation.-The effectuation of the 1038 authorized purposes of the authority created under this part is  $\tau$ 1039 shall and will be in all respects for the benefit of the people 1040 of the state for the increase of their commerce and, prosperity

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and for the improvement of their health and living conditions.

functions in effectuating such purpose, the authority is shall

not be required to pay any taxes or assessments of any kind or

Since the authority will perform essential governmental

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nature whatsoever upon any property acquired or used by it for such purposes or upon any expressway system revenues at any time received by it. The bonds, their transfer, and the income therefrom, including any profits made on the sale thereof, are shall at all times be free from taxation of any kind by the state or by any political subdivision or other taxing agency or instrumentality thereof. The exemption granted by this section does not apply shall not be applicable to any tax imposed by chapter 220 on interest, income, or profits on debt obligations owned by corporations.

Section 21. Section 348.67, Florida Statutes, is amended to read:

348.67 Pledges enforceable for bondholders.—It is the <a href="intent">intent</a> express intention of this part that any pledge of <a href="expressway system">expressway system</a> revenues, Hillsborough county gasoline tax funds, or other funds either as rentals to the authority or for the payment of the principal of and interest on bonds, or any covenant or agreement relative thereto, may be enforceable in any court of competent jurisdiction against the authority or directly against the department, a the county, or a the city, as may be appropriate.

Section 22. The Division of Law Revision is directed to replace the phrase "the effective date of this act" wherever it occurs in this act with the date the act becomes a law.

Section 23. This act shall take effect upon becoming a law.

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## THE FLORIDA SENATE



Tallahassee, Florida 32399-1100

COMMITTEES:
Appropriations Subcommittee on Agriculture,
Environment, and General Government
Education
Ethics and Elections
Finance and Tax
Transportation

## **SENATOR LORI BERMAN**

31st District

March 24, 2021

Senator Gayle Harrell, Chair Committee on Transportation 410 Knott Building 404 South Monroe Street Tallahassee, FL 32399

Dear Chair Harrell,

Please record my votes as follows due to my absence during today's Transportation Committee meeting. I apologize for missing a large portion of the meeting as I was presenting another bill on behalf of Senator Cruz.

SB 754: yes SB 1082: yes SB 1194: yes SB 1412: yes

Thank you for your time and consideration.

Sincerely,

Lori Berman

## **CourtSmart Tag Report**

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

Started: 3/24/2021 8:30:27 AM

Ends: 3/24/2021 9:14:11 AM Length: 00:43:45

**8:30:26 AM** Meeting called to order by Chair Harrell

8:30:28 AM Roll call by CAA Marilyn Hudson

8:30:50 AM Quorum present

8:31:01 AM Comments from Chair Harrell

**8:31:55 AM** SB 1160 temporarily postponed per Chair Harrell **8:32:22 AM** Introduction of Tab 3, SB 1194 by Chair Harrell

**8:32:38 AM** Explanation of SB 1194, Transportation by Senator Hooper **8:34:46 AM** Introduction of Amendment Barcode 745468 by Chair Harrell

8:35:06 AM Explanation of Amendment by Senator Hooper

8:36:05 AM Comments from Chair Harrell

8:36:13 AM Jennifer Cook Pritt, The Florida Police Chiefs Association waives in support

8:36:25 AM Comments from Chair Harrell

8:36:29 AM Amendment adopted

8:36:32 AM Introduction of Amendment Barcode 296808 by Chair Harrell

8:36:38 AM Explanation of Amendment by Senator Hooper

8:37:44 AM Comments from Chair Harrell

8:37:52 AM Beth Alvi, Audubon Florida waives in support

8:38:19 AM Comments from Chair Harrell

8:38:24 AM Amendment adopted

8:38:27 AM Comments from Chair Harrell

8:38:39 AM Mark Musselman, Asphalt Contractors Association of Florida waives in support

8:38:59 AM Comments from Chair Harrell

8:39:08 AM Closure waived Roll call by CAA

8:39:23 AM CS/SB 1194 reported favorably

8:39:48 AM Recording Paused 8:52:22 AM Recording Resumed 8:52:33 AM Meeting called to order

8:53:34 AM Introduction of Tab 1, SB 754 by Chair Harrell

8:53:48 AM Explanation of SB 754, Electronic Transactions for Title Certificates and Registrations by Senator Diaz

8:54:00 AM Introduction of Strike-all Amendment Barcode 428452 by Chair Harrell

8:54:10 AM Explanation of Amendment by Senator Diaz

8:55:10 AM Comments from Chair Harrell

8:55:34 AM Amendment adopted

8:55:43 AM Comments from Chair Harrell

8:56:06 AM Chair Harrell in debate

8:56:18 AM Closure waived Roll call by CAA

8:56:26 AM CS/SB 754 reported favorably

8:56:42 AM Introduction of Tab 2, SB 1082 by Chair Harrell

**8:57:02 AM** Explanation of SB 1082, Diesel Exhaust Fluid by Senator Albritton **8:57:51 AM** Introduction of Strike-all Amendment Barcode 607478 by Chair Harrell

8:58:27 AM Explanation of Amendment by Senator Albritton

8:58:40 AM Comments from Chair Harrell

8:58:48 AM Amendment adopted

8:59:02 AM Comments from Chair Harrell
8:59:26 AM Senator Wright in debate
8:59:43 AM Chair Harrell in debate
9:00:05 AM Senator Albritton in closure

9:00:22 AM Roll call by CAA

9:01:23 AM CS/SB 1082 reported favorably

9:01:45 AM Comments from Chair Harrell regarding Senator Hooper bill will be reported as CS/SB 1194

Recording Paused 9:02:05 AM Recording Resumed 9:07:54 AM Meeting called to order 9:07:57 AM 9:08:15 AM

Introduction of Tab 4, SB 1412 by Chair Harrell

Explanation of SB 1412, Traffic and Pedestrian Safety by Senator Perry 9:08:27 AM

9:10:06 AM Comments from Chair Harrell Senator Wright in debate 9:10:23 AM 9:11:25 AM Chair Harrell in debate Senator Perry in closure 9:12:12 AM Roll call by CAA 9:12:49 AM

SB 1412 reported favorably 9:12:57 AM Comments from Chair Harrell 9:13:12 AM

9:13:19 AM Senator Perry would like to shown voting in the affirmative on SB 754, CS/SB 1194, CS/SB 1082

9:13:36 AM Senator Rodriguez would like to shown voting in the affirmative CS/SB 1194

9:13:50 AM Comments from Chair Harrell 9:13:54 AM Senator Wright moves to adjourn

9:13:59 AM Meeting adjourned