#### HOUSE OF REPRESENTATIVES COMMITTEE ON TRANSPORTATION BILL ANALYSIS & ECONOMIC IMPACT STATEMENT

BILL #: CS/HB 675

**RELATING TO:** Transportation Administration

SPONSOR(S): Committee on Transportation and Rep. Fuller

**STATUTE(S) AFFECTED**: ss. 20.23, 206.46, 316.215, 316.302, 316.515, 316.516, 322.53, 334.27, 334.35, 335.0415, 337.25, 338.161, 338.221, 338.223, 338.2275, 338.2276, 338.231, 339.12, 339.121, 339.175, 348.0003, 348.0004, 348.754, 348.7544, 348.7545, 348.755, 479.16, 479.261, 784.07, and 812.015 Florida Statutes.

COMPANION BILL(S): SB 2060 (s), and SB 98 (c)

# ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) TRANSPORTATIÓN YEAS 7 NAÝS 0
- (2) FINANCE & TAXATION
- (3) TRANSPORTATION & ECONOMIC DEVELOPMENT APPROPRIATIONS
- (4)
- (5)

## I. <u>SUMMARY</u>:

The basis for this bill is the Department of Transportation's (DOT) 1997 legislative proposals. Provisions in the bill address a number of areas related to department operations and are intended to allow DOT to operate more efficiently. The bill also addresses a number of local government transportation issues. Major provisions in the bill would:

- 1. Revise the Turnpike program to allow for greater bonding capacity and increase the number of projects that can be financed and constructed as Turnpike projects.
- 2. Update state commercial motor vehicle laws to adopt current federal regulations, and create certain exemptions for intrastate truck operations.
- 3. Consolidate and revise two statutory provisions related to local governments advancing projects in the department 5-year work program.
- 4. Change minimum signage required for LOGO program participation from 3 signs to 1 sign per interchange, increasing the number of interchanges eligible for the program.

The Turnpike provisions in the bill have the potential for significant expansion of the Turnpike program, estimated by DOT to be up to \$700 million in additional bonding capacity over the next five years. Other provisions result in administrative cost-savings and increased efficiencies which are expected to have an overall positive fiscal impact. Some provisions in the bill will also have positive fiscal impacts on seaports and some businesses. However, the amount of these impacts cannot be accurately estimated [see Fiscal Analysis and Economic Impact Statement under Part III for details].

### II. SUBSTANTIVE ANALYSIS:

Because of the varied nature of the bill's changes to current law, the Present Situation and Effect Of Proposed Changes for each provision are included in the following <u>Section-By-Section</u> analysis:

<u>Sections 1, 2 & 14 - 18</u> -- Turnpike Program: The bill makes numerous revisions to law (primarily Chapter 338, F.S.) regarding financing and operating the Turnpike System. Many of the changes resulted from proposals contained in a report entitled "Florida's Turnpike, Building on the Past - Preparing for the Future" which was issued by DOT in January 1997 in response to a request by the Florida Transportation Commission. The report contains more detailed information on these proposals, as well as on the Turnpike's history and the system's current and projected financial status.

The Turnpike District within DOT is required by statute to have its headquarters in Leon County. Because none of the Turnpike District's transportation facilities are located in Leon County the department has requested that <u>Turnpike District headquarters</u> be relocated to Orange County. The bill provides for this transfer in the year 2000.

Funds in the State Transportation Trust Fund (STTF) are required to be expended for transportation purposes; with specified percentages authorized for debt service on right-of-way acquisition and bridge construction bonds, and for public transportation projects. The bill amends the STTF authorizing provision to allow the department to covenant with bondholders to pay toll road <u>operations and maintenance (O&M) costs</u> from the STTF. Currently DOT is allowed to lend or pay Turnpike O&M costs from the STTF, with approval of the Legislature, to the extent necessary to make a project economically feasible. The bill amends this provision to delete the requirement that such loans or payments be limited to amounts necessary to make a project meet economic feasibility tests. The effect of these changes will allow for a reduction in O&M costs being paid initially from Turnpike revenues, which increases the bonding capacity of the Turnpike program.

Under current law, a Turnpike project must be determined to be economically feasible before being financed by revenue bonds. A project is economically feasible if it meets a two pronged test. First, the project must have an initial bonding capacity equal to 50 percent of project costs to be paid from bond proceeds. This test compares net revenues (after deduction of O&M costs) with project costs to be paid from bond proceeds. The test of economic feasibility is calculated by averaging the project's estimated revenues during the first 5 years after opening to traffic. Second, the project's estimated total annual revenues must be sufficient to pay 100 percent of the project's O&M costs and debt service within 15 years of opening. The bill modifies the economic feasibility test to provide that a project's annual net revenues at the end of the fifth year of operation must be sufficient to pay 50 percent of debt service, and sufficient to pay 100 percent of debt service after 15 years. Further, the bill provides that up to 50 percent of project costs may be paid from other Turnpike revenues. This change can be used to reduce the size of the bond issue and therefore the amount of debt service attributable to the project. These changes have the effect of lowering the feasibility threshold for projects, allowing more projects to meet economic feasibility requirements, and increasing the number of projects eligible for bond financing.

Under present Turnpike law, <u>interchanges</u> on the Turnpike are treated as projects which must meet the tests of economic feasibility before being financed and constructed as a

Turnpike project. The bill provides that interchanges will be defined as a Turnpike improvement, like a road widening or resurfacing, rather than a project. This has the effect of allowing interchanges to be constructed without meeting economic feasibility criteria. According to DOT, new interchanges rarely add enough traffic to meet economic feasibility requirements because many of the users of new interchanges are not new Turnpike patrons, but are diverted from existing interchanges. The bill's changes will allow construction of new interchanges in urban areas to alleviate back-ups and relieve congestion at existing interchanges.

Section 17 of Article VII of the Florida Constitution and statutory provisions authorizes the use of general obligation <u>bonds for right-of-way acquisition and bridge construction</u>. The legislature has implemented this bond program by providing that right-of-way acquisition and bridge construction may be financed with these bonds. Use of advanced acquisition of right-of-way funds for Turnpike projects is specifically authorized, but because the project must meet economic feasibility requirements before right-of-way can be acquired, advanced acquisition is not practical. The bill provides that a Turnpike project does not have to meet economic feasibility requirements to be eligible for advanced acquisition right-of-way bond funds. Acquisition of a Turnpike project's right-of-way through this general obligation bond program would reduce the project's cost financed from revenue bonds and therefore the amount of debt service used in calculating economic feasibility. To the extent that this financing technique is used, it will have the effect of: 1) avoiding inflation of property values; 2) increasing the number of projects eligible for Turnpike bond financing; and 3) increasing the bonding capacity of the Turnpike system by reducing revenue bond debt service.

The Turnpike law contains a <u>list of projects</u> which, as required by the state constitution, are legislatively approved for financing by turnpike revenue bonds. These projects may only be constructed if statutory requirements for economic and environmental feasibility and for consistency with local government comprehensive plans are met. The law also contains a maximum <u>bonding cap</u> of \$1.5 billion to finance the list of projects. The bill deletes the project approval contained in statute, and provides that legislative approval of turnpike projects will consist of approval of the department's 5-year work program through the appropriations process. Additionally, the bill deletes the bonding cap so that there is no maximum amount of Turnpike revenue bonds that may be issued. The amount of Turnpike bonds issued would be limited by available toll revenues and by existing bond covenants which require a reserve of revenues which is 20 percent more than the amount of debt service. The bill also makes a number of cross reference and conforming changes related to deleting the projects from statute.

The department currently holds public hearings regarding the establishment or adjustment of toll rates close in time to the actual implementation of toll rate. According to the department, public hearings for toll rates on expansion projects should be held earlier in the process to allow more meaningful public input. The bill would require public hearings on toll rates during the early planning phase of the project. The toll rates would become effective when the project is opened to traffic.

<u>Sections 3 - 7</u> -- Trucking/Motor Carrier Compliance: Many of Florida's safety requirements for the operation of commercial motor vehicles are <u>federal safety regulations</u> adopted by statutory reference. Changes in these federal regulations require the state to update its references to the federal codes to include the latest versions. The bill updates the incorporation by reference of federal regulations regarding commercial motor vehicle safety

requirements to include those regulations in effect on March 1, 1997. This change allows for state enforcement of trucking industry compliance with current federal regulations.

When the load on a vehicle extends more than 4 feet beyond the rear of a vehicle bed or body, current Florida law requires the placement of flags (during daylight hour) or lights (during night-time hours and during rain, smoke or fog) on the end of the load. Federal motor carrier equipment regulations for vehicles operating in interstate commerce are not consistent with these requirements. The bill provides an exemption from the federal requirements for vehicles operating solely within Florida that comply with state law on rear overhang marking requirements.

Current law provides that a driver of a commercial motor vehicle may drive only during the first 15 hours of any 24 hour period, and may only drive again after 8 hours of rest. According to the utility industry, this restriction hampers efforts to restore power during severe weather periods because drivers of service trucks cannot drive after the first 15 hours of being on duty until the 8 hour rest period is completed. The bill allows a limited exemption from these hours of service requirements for drivers of utility trucks and emergency vehicles during periods of severe weather and other emergencies.

<u>Utility trucks</u> that are hauling poles may operate at night up to a maximum length of 120 feet for the vehicle and load. These trucks must have a warning light and must be escorted by both lead and trailing vehicles with flashing lights. The bill provides that if a utility truck hauling poles during emergency conditions is 85 feet or less, it may operate with only one trailing escort vehicle if side marker lighting requirements are met.

Florida has adopted most of the federal requirements regarding the transporting of <u>hazardous materials</u> (Haz-Mat), but has granted exemptions from many of the Haz-Mat regulations for intrastate transportation of petroleum products by trucks less than 26,000 pounds, and for local trucks carrying certain products in a support role to agricultural, horticultural or forestry production. Recently, the federal regulations were revised and when effective (in October 1997) will preempt state law granting these intrastate exemptions. The new federal regulations do allow exemptions which are similar to the current state exemptions, and the bill adopts the federal exemptions by cross reference. The federal Haz-Mat exemptions adopted are: 1) for "materials of trade" such as oxygen and acetylene cylinders carried on a welders truck; and 2) for petroleum products carried in tanks of less than 3500 gallons, such as heating oil delivery trucks.

Loads on <u>trucks carrying automobiles or boats</u> may currently extend four feet beyond the rear of the trailer. The trucking industry has indicated that longer automobiles (primarily vans and enlarged-cab pick-up trucks) are being hauled more frequently, and when loaded on a truck trailer may extend beyond this limit of four feet. The bill changes the length by which automobiles and boats may extend beyond the rear of the hauling vehicle to six feet. The bill also eliminates a requirement that <u>straight trucks</u> between 35 and 40 feet have at least three axles. Recreational vehicles are already exempt from the provision, and this would conform Florida law with the laws of most other states regarding these straight trucks.

Current law prohibits a load from extending more than three feet beyond the front wheels or bumper of a commercial motor vehicle. A number of transit systems have attempted to attract more ridership by providing a front rack on buses which can carry the bicycle of a transit system user. The transit systems that have attached these racks to buses have found

that when loaded with bicycles, the front load extension limitation is exceeded. The bill exempts <u>bicycle racks</u> on public transit buses from the three foot load extension limit.

Some of the new <u>garbage and recycling trucks</u> that have hydraulic loading equipment on the front also do not comply with the three foot front overhang exemption when the loader is in the down position. In addition, these vehicles may not comply with light and signal requirements when the loader is in the down position, because the headlights and turn signals may be partially obscured. The bill provides exemptions to front overhang limits and to light and signal requirements for these types of trucks. The exemptions are limited to when the vehicles are actually collecting materials, are operating at less than 20 miles per hour, and have the hazard flashers activated. Further, the front overhang cannot exceed more than 8.5 feet beyond the front bumper.

Certain <u>straight utility trucks</u> have lift equipment attached to the truck that also extends beyond this three foot limit. These truck may also exceed the maximum overall vehicle length limit. The bill provides an exemption from these limits for these vehicles if the vehicle is flasher-equipped, the front extension does not exceed 9 feet beyond the front bumper, and other operating requirements are met. If the vehicle exceeds 50 feet, the bill also requires an escort vehicle for operating at night.

DOT has established <u>height, width and length penalties</u> by administrative rule, with a statutory maximum of \$1,000 for each height, width or length violation. The bill codifies these penalties in statute with a schedule of penalties for these dimensional violations as follows:

-For width and height violations the penalty is \$250 per foot.

-For length violations the penalty is \$40 for violations up to 2 feet; \$100 for violations between 2 and 10 feet; and \$250 for violations over 10 feet plus \$250 per foot for each foot over 11 feet.

In 1996 the law relating to <u>commercial driver's licenses</u> (CDL) was amended to provide that a driver operating a bus owned and operated by a church would be exempt from CDL requirements when operating the bus for no compensation and when transporting people for church related activities. In August of 1996, the Federal Highway Administration notified Florida that this exemption does not comply with federal CDL regulations. Failure to comply with these regulations could cause Florida to be penalized by the withholding of federal funds. The bill would repeal the CDL exemption for <u>volunteer church bus drivers</u>. The bill further provides that volunteer church bus drivers holding a CDL and subject to an alcohol and drug testing program related to other employment, are not required to be part of a church run testing program. The bill also provides that this exemption will not be implemented if federal funds are adversely affected.

<u>Section 8</u> -- Pollution Liability Limitation/Seaport Property: Current law provides that when property is acquired for transportation purposes, governmental transportation entities are not liable for preexisting pollution contamination under Chapters 376 and 403, F.S., due solely to ownership. The term "governmental transportation entity" means DOT; a city; a county; or a statutorily created expressway, bridge, and transportation authority. Past and future owners are not relieved of pollution contamination liability, and the transportation entity is still liable for its actions which create or exacerbate a pollution source. The bill

provides seaports with the same limitation on pollution liability as currently provided to other transportation entities.

<u>Sections 9 - 10</u> -- Youth Work Experience Program/Youth Conservation Corps-- Prior to 1996, DOT transferred funds to the Department of Environmental Protection (DEP) for routine highway maintenance to be performed by the Youth Conservation Corp (YCC). In 1996, the YCC was transferred from DEP to DOT, and funds were set aside for the YCC program. However when the YCC contract expired with DEP it was not renewed with DOT, and the department was therefore unable to expend the allocated funds. The bill abolishes the statutory reference to the YCC within DOT and creates a more generic program allowing DOT to negotiate contracts with youth organizations to provide transportation related work experience. The bill limits these contracts to amounts specifically appropriated for this program.

<u>Section 11</u> -- Public Roads/Jurisdiction: Under current law jurisdiction by various governmental entities (DOT, counties, and cities) over public roads remains the same as existed on July 1, 1995. Any subsequent transfer of roads between governmental entities requires mutual agreement of the entities. Some local governments have requested clarification as to whether intergovernmental transfers of operations and maintenance (O&M) responsibilities for public roads were included in this freeze on jurisdictional transfers. The bill clarifies that O&M responsibilities were included so that any transfer of these responsibilities would have to be by mutual agreement of the governmental entities.

<u>Section 12</u> -- Disposal of DOT Surplus Property: When DOT completes construction of transportation projects, small or odd-shaped parcels of acquired property are often left over that were not needed for the project. A recent DOT inventory shows that 805 such parcels have been owned by the department for an average of 19 years. Currently DOT may sell property if it is determined that the parcel is not needed for transportation purposes. The law generally requires that sales of surplus property be at fair market value. Often these parcels have little or no use to anyone but the abutting property owner and few abutting property owners have purchased surplus property at the estimated market value. The bill would allow DOT to reduce the market value of surplus property by the amount of estimated maintenance costs over five years, if the property will require significant maintenance costs to be incurred or if ownership exposes DOT to significant liability risks. The reduced market value would be used to establish a sale value, even if the value is zero.

<u>Section 13</u> -- Electronic Toll Collection/Marketing: DOT is planning to implement an electronic toll collection system on the turnpike called SunPass. Under this system a motorist will apply for a SunPass account and be provided a transponder to attach to the vehicle. When the vehicle passes through the SunPass toll lane, the transponder will make electronic contact with a receiver in the lane and identify the vehicle. The amount of the toll will automatically be deducted from the motorist's prepaid account without the vehicle having to stop. The SunPass system is intended to reduce toll collection costs and will be a more convenient method of payment for both individual motorists and for business fleets. Because vehicles do not have to come to a complete stop to pay a toll, use of the SunPass system will reduce congestion at toll plazas and increase the capacity of the Turnpike.

Current state comptroller practice precludes the purchase of paid advertisement or promotional expenses without specific statutory authority for making such purchases. This bill would allow DOT to promote SunPass and educate the public through paid marketing and advertising services. The bill also allows the department to receive payments from

business entities or other groups for advertising on SunPass products and promotional materials.

Sections 19 & 31 - Local Government Advance and Reimbursement Program: Two statutory sections contain the Local Government Advance and Reimbursement Programs. These programs provide that any governmental entity may aid DOT in any State Highway System project (s. 339.12, F.S.) or public transportation project (s. 339.121, F.S.). The programs allow local governments to have projects begin at an earlier date than scheduled in the department's Five Year Work Program. If DOT determines that a local governmental proposal is feasible, the department and the local government sign a joint participation agreement to undertake the project. Then depending on the agreement, either the department or the local government completes the project using local funds and DOT reimburses the local government beginning in the year that the project was originally scheduled. The bill consolidates these two statutory provisions into one section that will cover both highway and public transportation projects, and repeals the current provision that relates only to public transportation projects. The bill allows any project or project phase in the adopted work program, or certain types of project phases (i.e., acquisition of right-ofway, construction and construction inspection) not in the adopted work program, to be advanced through an agreement between the department and a local governmental entity.

<u>Sections 20 - 22</u> -- Dade County Expressway Authority: The Dade County Expressway Authority (DCEA) was established by Dade County in 1994 pursuant to the Florida Expressway Authority Act. The DCEA system consists of five expressways (four are toll facilities) that were transferred from DOT in 1996. System revenues may be used to finance additional expressways or public transportation facilities in Dade County.

To meet federal requirements for obtaining and expending federal transportation funds, current law requires at least one <u>Metropolitan Planning Organization</u> (MPO) within each urbanized area, or group of contiguous urbanized areas. Each MPO prepares a multi-year program of transportation improvement projects based on long-term transportation plans and projected needs. DOT uses the transportation improvement programs of the MPOs when developing its 5-year work program of planned transportation projects. The members of the MPO represent the various governmental entities within the area based on equitable population ratios and geographic factors. The bill amends the MPO membership provisions for Dade County to add one member of the DCEA as an MPO member to be appointed by the Governor. Adding DCEA representation to the MPO will enhance coordinated transportation planning for Dade County.

<u>Membership of DCEA</u> consists of 13 members, with three voting members appointed by the Governor, five voting members appointed by the county, the DOT District Six Secretary as a voting member, and four non-voting members appointed by the county. The bill eliminates the four non-voting DCEA members and provides that the Governor would appoint two additional voting members and the county would appoint two additional voting members. In addition, the bill clarifies that <u>transportation facilities</u> owned and operated by DCEA may include intermodal and multimodal facilities, bicycle paths, and greenways.

<u>Sections 23 - 26</u> - Orlando-Orange County Expressway Authority: The Orlando-Orange County Expressway Authority (OOCEA) finances, constructs and operates an extensive expressway system in Orange County. Current law also allows OOCEA to enter into agreements with the Seminole County Expressway Authority to facilitate construction and operation of the two expressway systems. The bill would authorize OOCEA to construct,

operate and maintain highways outside of Orange County pursuant to agreement by the county in which the highway is located. OOCEA finances its expressway system through revenue bonds backed by toll revenue collected on the system. Currently these bonds must be issued by the Division of Bond Finance of the State Board of Administration on behalf of OOCEA. The bill authorizes OOCEA to issue and sell its own bonds without going through the Division of Bond Finance, and requires that certain conditions be met in order for bonds to be sold though negotiated sales.

<u>Section 27</u> -- Outdoor Advertising/Rural Business Signs: The federal government requires states to control outdoor advertising on the interstate and federal highway systems. Failure to comply with federal requirements for controlling outdoor advertising may result in a 10 percent reduction of the state's apportionment of federal highway funds. Florida has adopted a permitting system to control the erection of such signs. Current law lists 15 categories of signs that do not require a permit. Examples of some types of signs that do not require a permit include:

-All official traffic control signs and danger warnings, public safety signs, historical markers, aviation markers and governmental notices and advertisements;

-Signs located on the premises of the business which is being advertised;

-Signs owned by churches, civic or charitable organizations, and governmental agencies not exceeding 8 square feet to identify facilities and activities; and

-Signs not exceeding 8 square feet located at a road junction with a state highway denoting the distance and direction of a residence or farm operation.

The bill amends this latter exemption to include distance and direction signs which do not exceed 16 square feet in rural areas where a hardship is created for a small business because it is not visible from the road junction with the state highway system. All such signs must still comply with other provisions which: prohibits the location of signs on the right of way of any highway in the state, interstate, or federal-aid primary highway system; imitates official signs such as "stop" or "danger" signs; and signs with intermittent lights or which obstruct motorist vision. The bill provides that this exemption will not be implemented if federal funds are adversely affected.

<u>Section 28</u> -- LOGO Program: Under the LOGO program the department provides specific information panels on the Interstate Highway System. The panels provide information about food, gas, camping, and lodging businesses near interstate interchanges. LOGO program participation is currently limited to interchanges which have the necessary space to accommodate all traffic control signs, plus three LOGO sign structures on the main road and three LOGO sign structures on the exit ramp. This has limited the number of interchanges which can participate in the LOGO program. The bill would allow an interchange to have LOGO signing if there was space available for at least one sign structure on the main road and one sign structure on the ramp. This would increase the number of interchanges eligible for LOGO signing.

<u>Sections 29 - 30</u> -- Metro-Dade Transit Authority: The Metro-Dade Transit Authority (MTDA) operates public transportation systems in Dade County including bus, rail, and people mover systems. MTDA security personnel and employees are not covered under current law which provides for <u>enhanced penalties for assault or battery</u> on various officers

and public employees. The bill enhances penalties for assault or battery on public transit employees or agents in the same manner as for law enforcement officers. For example, the penalty for assault on a transit employee would be reclassified from a second degree misdemeanor to a first degree misdemeanor.

Current law allows law enforcement officers, merchants or farmers, who have probable cause to believe that retail or farm theft has been committed by a person, to take the person into <u>custody and detain</u> him for a reasonable amount of time. Currently, only those transit entities that own or operate a public rail system in two or more counties have the power to detain and take into custody individuals they suspect of fare evasion. This bill defines the offenses of "transit fare evasion" and "trespass", and grants transit agency employees and agents the authority to take individuals into custody and detain them when there is probable cause to believe they are attempting to evade a fare. Similar to provisions relating to merchants and farmers, the bill exempts transit employees or agents from criminal or civil liability for false arrest, false imprisonment, or unlawful detention if there is probable cause for the detention.

<u>Section 32.</u> Except for sections 29 and 30 of the bill which become effective October 1, 1997, the bill's provisions take effect upon becoming law.

- A. APPLICATION OF PRINCIPLES:
  - 1. Less Government:
    - a. Does the bill create, increase or reduce, either directly or indirectly:
      - (1) any authority to make rules or adjudicate disputes?

Although some of the statutory changes in the bill will require corresponding changes to some DOT rules, these revisions are minor and do not significantly expand the department's authority to make rules.

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

To the extent that sections 3, 4, 5, and 27 of the bill create exemptions from certain requirements for utilities, auto/boat haulers, solid waste haulers, public transit systems, and other businesses, these entities will have a reduction in obligations or work.

Section 7 eliminates the exemption from CDL requirements for volunteer church bus drivers and this could increase the obligation of such drivers to obtain a CDL, however these drivers will have an exemption under section 4 from drug testing by the church if they are part of a work related drug testing program.

Section 8 limits the liability of seaports for pre-existing contamination on property acquired by the port and this could reduce the obligation of seaports for clean-up and remediation of such contamination.

(3) any entitlement to a government service or benefit?

No.

b. If an agency or program is eliminated or reduced:

Not applicable.

- (1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?
- (2) what is the cost of such responsibility at the new level/agency?
- (3) how is the new agency accountable to the people governed?
- 2. Lower Taxes:
  - a. Does the bill increase anyone's taxes?

No.

- b. Does the bill require or authorize an increase in any fees?
   No.
- c. Does the bill reduce total taxes, both rates and revenues?No.
- d. Does the bill reduce total fees, both rates and revenues?
   No.
- e. Does the bill authorize any fee or tax increase by any local government? No.

#### 3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

No.

b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

Businesses that will benefit from more interchanges being eligible for the LOGO program due to the changes in section 28 of the bill will pay the cost of running the program through permit fees.

- 4. Individual Freedom:
  - a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

To the extent that sections 3, 4, 5, and 27 of the bill create exemptions from certain requirements for utilities, auto/boat haulers, solid waste haulers, and other businesses, these entities will have more freedom to conduct their own affairs.

b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

Section 7 of the bill eliminates the exemption from CDL requirements for volunteer church bus drivers. This prohibits such driver's from operating without a CDL, as current state law authorizes.

- 5. <u>Family Empowerment:</u>
  - a. If the bill purports to provide services to families or children:

Not applicable.

- (1) Who evaluates the family's needs?
- (2) Who makes the decisions?

- (3) Are private alternatives permitted?
- (4) Are families required to participate in a program?
- (5) Are families penalized for not participating in a program?
- b. Does the bill directly affect the legal rights and obligations between family members?

No.

c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

Not applicable.

- (1) parents and guardians?
- (2) service providers?
- (3) government employees/agencies?

# III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

# A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

None.

2. Recurring Effects:

See D. Fiscal Comments, below.

3. Long Run Effects Other Than Normal Growth:

See D. Fiscal Comments, below.

4. Total Revenues and Expenditures:

Overall positive fiscal impact to the State Transportation Trust Fund, but the precise amount is unknown. See D. Fiscal Comments, below.

- B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:
  - 1. <u>Non-recurring Effects</u>:

None.

2. <u>Recurring Effects</u>:

Section 8 of the bill limits the liability of seaports for certain pre-existing environmental contamination on property acquired by the ports. Because many of the seaports are owned and operated by local governments or authorities, this limitation should have a positive fiscal impact on local governments as a whole. The amount of this impact depends on whether a particular seaport is acquiring property and whether the property has environmental contamination, and therefore the precise amount of this impact is unknown.

3. Long Run Effects Other Than Normal Growth:

None.

- C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:
  - 1. Direct Private Sector Costs:

None.

2. Direct Private Sector Benefits:

To the extent that sections 3, 4, 5, and 27 of the bill create exemptions from certain requirements for utilities, auto/boat haulers, solid waste haulers, and other businesses, these entities will benefit from the legislation.

Businesses wishing to participate in the LOGO sign program will benefit from more interchanges being eligible for LOGO signing under section 28 of the bill.

3. Effects on Competition, Private Enterprise and Employment Markets:

None.

#### D. FISCAL COMMENTS:

Sections 2, and 14 through 18, of the bill have the potential for significant expansion of the bonding capacity of the Turnpike. According to DOT preliminary projections, removing the bonding cap and allowing STTF monies to be pledged for Turnpike O&M costs results in additional bonding capacity of up to \$700 million over the 5-year work program and allows construction of an additional \$3 billion in Turnpike projects over the next 20 years. DOT's finance plans for the tentative 5-year work program submitted to the Legislature on March 18,1997, includes \$1 million in FY 2000-01 and \$7.4 million in FY 2001-02 from the STTF for payment of Turnpike O&M costs.

Section 15 of the bill allows for increased use of advance right-of-way acquisition for Turnpike projects. Acquiring right-of-way earlier using the advanced acquisition bond program can result in significant savings (DOT estimates 20-30 percent) by avoiding increased right-of-way costs due to higher property values and development. The tentative 5-year work program allocates \$25 million of advanced acquisition bond funds to the Turnpike District. In addition, \$10 million of advanced acquisition bond funds allocated to Districts Five have been programmed for Turnpike projects.

Section 1 of the bill moves the Turnpike District Headquarter to Orlando in the year 2000. Although no budget request related to this issue has been submitted, there will be expenses associated with this move in the future. According to DOT's latest finance plan, there is \$20 million over a four year period (FY1998-99 through FY2001-02) in the Turnpike General Reserve Fund for construction of a new administration building in Orlando. According to DOT this office can be constructed on property already owned by the department and this will result in savings over the cost of leasing at the present location. DOT also has indicated that this move has benefits related to reduced travel costs for Turnpike staff and increased accessibility of Turnpike patrons to Turnpike staff and services.

Section 12 of the bill should allow DOT to dispose of surplus real property more efficiently, and this should have a positive fiscal impact on the State Transportation Trust Fund. The amount of this impact cannot be accurately estimated because the additional amount of surplus property sold due to these changes cannot be predicted.

Section 13 will allow DOT to expend funds to promote SunPass, its electronic toll collection system, and this may result in additional expenditures of state funds. This expenditure should be offset by reduced toll collection costs and by revenues from other advertising in conjunction with SunPass promotions as authorized by the bill.

Section 28 should increase the number of interchanges eligible for the LOGO sign program. However, this should not increase DOT program costs because LOGO sign permit fees are statutorily required to offset the cost of administering the program.

#### IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

Not applicable. This bill does not require counties or municipalities to spend funds or to take action which requires the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

Not applicable. This bill does not reduce the authority of counties or municipalities to raise revenues.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

Not applicable. This bill does not reduce the percentage of state tax shared with counties and municipalities.

V. COMMENTS:

None.

### VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

This bill was considered by the Transportation Committee on March 12, 1997, and a series of amendments were adopted. The issues addressed by these amendments included the following:

- 1. DOT's Turnpike Proposals:
  - ► Relocates turnpike district offices to Orlando.

► Allows DOT to covenant to pay turnpike project Operations & Maintenance [O&M] costs from STTF.

► Removes economic feasibility test for interchanges.

► Modifies the economic feasibility test to apply to fifth year of operation, rather than average of first five years, and apply test only to bonded portion of project.

 Allows for advanced acquisition of turnpike expansion project right-of-way prior to final test of feasibility for projects that DOT would construct even as a non-toll road.
 Allows payment of O&M costs of turnpike projects from the STTF.

► Authorizes turnpike expansion projects through the work program/appropriations process rather than through specific legislative enactment.

► Removes \$1.5 billion bond cap.

► Requires DOT to conduct toll rate public hearings in the planning phase of new toll facilities.

- 2. Created overhang and lighting exemptions for front loading garbage trucks.
- 3. Eliminated the requirement that trucks over 35 feet have at least 3 axles.

4. Conformed state exemptions from certain Haz-Mat regulations for intrastate agriculture and petroleum motor carriers to the exemptions authorized by federal regulations.

5. Clarified that the freeze on transfer of road jurisdiction between the state, counties and cities applies to operation and maintenance responsibility.

6. Provided that volunteer church bus drivers holding a CDL and subject to an alcohol and drug testing program related to other employment, are not required to be part of a church run testing program.

7. Provided that state laws, rather than federal regulations, on lamps and flags on loads projecting beyond the end of a vehicle apply to vehicles operating only within Florida.

8. Related to the Dade County Expressway Authority:
Revised membership of Dade MPO to add DCEA member,
Revised membership of DCEA by changing the number of voting appointees made by the county from 5 to 7 and made by the Governor from 3 to 5.
Expanded list of facilities eligible for authority operation to include intermodal, multimodal, bicycle and greenway projects.

9. Related to the Metro-Dade Transit Authority:
►Increased penalty for assault & battery of transit employees.
►Allowed transit employees or agents to take into custody a person suspected of transit fare evasion.

10. Increased from 8 to 16 the square footage limit in the bill for exempting certain distance and direction signs for businesses.

11. Allowed DOT to negotiate contracts for construction and maintenance of transportation facilities by youths enrolled in work experience programs.

12. Allowed the Orlando-Orange Co. Expressway Authority to operate and maintain roads in other counties pursuant to an agreement with the other county.

13. Allowed the Orlando-Orange Co. Expressway Authority to issue its own bonds rather than issuance by the Division of Bond Finance, and provided for negotiated sales of the bonds.

14. Allowed utility trucks hauling poles in an emergency to only have one escort vehicle if the vehicle length does not exceed 85 feet.

The bill as amended was reported favorably as a committee substitute.

## VII. SIGNATURES:

COMMITTEE ON TRANSPORTATION: Prepared by:

Legislative Research Director:

Phillip B. Miller

John R. Johnston