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1 A bill to be entitled

2 An act relating to the Florida High-Speed Rail Authority;
3 amending s. 341.840, F.S.; providing that the tax
4 exemption granted the authority shall not apply to any
5 associated development or to income, sales, or other
6 taxable transactions related to any associated
7 development; amending s. 288.281, F.S.; authorizing the
8 Division of Bond Finance of the State Board of
9 Administration to issue bonds for road and bridge
10 construction necessary for the implementation of the high-
11 speed rail system; creating s. 341.843, F.S.; requiring
12 specified contractors to provide surety bonds; providing
13 requirements with respect to such bonds; creating s.
14 341.844, F.S.; authorizing the Division of Bond Finance
15 to issue revenue bonds for and on behalf of the authority
16 for the purpose of financing or refinancing the
17 construction, reconstruction, and improvement of the high-
18 speed rail system; amending s. 341.830, F.S.; providing
19 that procurement by the authority of any person or entity
20 to provide professional services shall be in accordance
21 with the Consultants' Competitive Negotiation Act;
22 providing an appropriation; creating s. 341.825, F.S.;
23 requiring the Department of Transportation to include a
24 request for specified expenditures to be provided to the
25 Florida High-Speed Rail Authority in its annual
26 legislative budget requests for a specified period;
27 providing requirements with respect to such budget
28 requests and sources of appropriations; creating s.
29 341.826, F.S.; providing for the assignment, pledging, or
30 setting aside of such funds as a trust for the payment of



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31 principal or interest on bonds issued by the authority;
32 providing for two full-time equivalent positions;
33 providing an effective date.
34

35 Be It Enacted by the Legislature of the State of Florida:
36

37 Section 1. Section 341.840, Florida Statutes, is amended
38 to read:

39 341.840 Tax exemption.--The exercise of the powers granted
40 by this act will be in all respects for the benefit of the
41 people of this state, for the increase of their commerce,
42 welfare, and prosperity, and for the improvement of their health
43 and living conditions, and as the design, building, operation,
44 maintenance, and financing of a system by the authority or its
45 agent or the owner or lessee thereof, as herein authorized,
46 constitutes the performance of an essential public function,
47 neither the authority, its agent, nor the owner of such system
48 shall be required to pay any taxes or assessments upon or in
49 respect to the system or any property acquired or used by the
50 authority, its agent, or such owner under the provisions of this
51 act or upon the income therefrom, any security therefor, their
52 transfer, and the income therefrom, including any profit made on
53 the sale thereof, shall at all times be free from taxation of
54 every kind by the state, the counties, and the municipalities
55 and other political subdivisions in the state, provided,
56 however, that the tax exemption pursuant to this section shall
57 not apply to any associated development or to income, sales, or
58 other taxable transactions related to any associated
59 development.



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60 Section 2. Section 288.281, Florida Statutes, is amended
61 to read:

62 288.281 Financing construction or acquisition of roads and
63 bridges; additional method.--

64 (1) Upon request of any county, any road or bridge
65 district, or any authority, evidenced by a resolution duly
66 adopted by the governing body thereof, the Division of Bond
67 Finance of the State Board of Administration is authorized and
68 empowered to issue and sell interest-bearing bonds, notes, or
69 certificates in its own name for and on behalf of said county,
70 road or bridge district, or authority, for the purpose of
71 financing the construction of roads or bridges within the
72 county, district, or authority, or the acquisition of rights-of-
73 way for such roads. The governing body of the county, district,
74 or authority may request in said resolution that the division
75 construct or acquire said project by and through its statutory
76 agent, the Department of Transportation.

77 (2) Any county, road or bridge district, or authority
78 making application to the Division of Bond Finance pursuant to
79 this section may prescribe the terms, conditions, and
80 limitations under which said bonds, notes, or certificates shall
81 be issued and sold and the proceeds of the sale of said bonds,
82 notes, and certificates shall be applied.

83 (3) Any bonds, notes, or certificates issued by the
84 division pursuant to this section may be secured by and payable
85 as to both principal and interest, in whole or in part, from the
86 20-percent surplus gasoline tax funds accruing under the
87 provisions of s. 9, Art. XII of the State Constitution, tolls or
88 other revenue derived from the operation of the project, or ad
89 valorem taxes or any combination thereof that may be legally



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90 available to said county, road or bridge district, or authority.
 91 If authorized by the Department of Transportation bonds, notes,
 92 or certificates may be additionally secured by and payable as to
 93 both principal and interest from legally available 80-percent
 94 surplus gasoline tax funds accruing to the Department of
 95 Transportation under the provisions of s. 9, Art. XII of the
 96 State Constitution.

97 (4) This section is intended to be cumulative of other
 98 powers granted to the Division of Bond Finance, the Department
 99 of Transportation, the counties, districts, and authorities
 100 under other provisions of law and is not intended to repeal,
 101 abrogate, or modify any such provisions.

102 (5) The Division of Bond Finance is authorized, at the
 103 request of the Florida High-Speed Rail Authority, to issue bonds
 104 pursuant to this section for road and bridge construction
 105 necessary for the implementation of a high-speed rail system as
 106 defined in s. 341.8203, with such bonds to be repaid from
 107 pledged revenues of the authority.

108 Section 3. Section 341.843, Florida Statutes, is created
 109 to read:

110 341.843 Surety bond; requirement with respect to high-
 111 speed rail system.--

112 (1) The authority shall require, upon entering into a DBOM
 113 or DBOM & F contract, that the contractor provide a performance
 114 and payment bond in an amount determined by the authority.

115 (2) Prior to commencing any construction work by the DBOM
 116 or DBOM & F contractor, the authority shall require that the
 117 contractor provide to the authority a payment and performance
 118 bond that covers 100 percent of the costs of the construction,
 119 provided, however, that if such level of surety is not



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120 commercially available, the authority, notwithstanding ss.
121 255.05 and 337.18, may require a monetary surety amount of less
122 than 100 percent of such costs or may authorize that surety
123 bonds be provided on a phased basis.

124 (3) The surety on such bonds shall be from a surety
125 company authorized to do business in the state. All bonds shall
126 be payable to the authority and conditioned on the prompt,
127 faithful, and efficient performance of the contract according to
128 plans and specifications and within the time period specified
129 and further conditioned on the prompt payment of all persons
130 furnishing labor, materials, equipment, and supplies therefor.

131 (4) The bond requirement of subsection (2) may be
132 substantially in the form provided in s. 255.05(3).

133 Section 4. Section 341.844, Florida Statutes, is created
134 to read:

135 341.844 Revenue bonds; project financing.--Upon the
136 request of the Florida High-Speed Rail Authority, the Division
137 of Bond Finance is authorized pursuant to s. 11, Art. VII of the
138 State Constitution and the State Bond Act to issue revenue bonds
139 for and on behalf of the Florida High-Speed Rail Authority for
140 the purpose of financing or refinancing the construction,
141 reconstruction, and improvement of a high-speed rail system.
142 Bonds issued pursuant to this section shall be payable from the
143 revenues of the high-speed rail system or other revenues of the
144 authority, including funds appropriated for the authority.

145 Section 5. Section 341.830, Florida Statutes, is amended
146 to read:

147 341.830 Procurement.--

148 (1) The authority may employ procurement methods under
149 chapters 255, 287, and 337 and under any rule adopted under such



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150 chapters. To enhance the effective and efficient operation of
151 the authority, and to enhance the ability of the authority to
152 use best business practices, the authority may, pursuant to ss.
153 120.536(1) and 120.54, adopt rules for and employ procurement
154 methods available to the private sector.

155 (2) The authority is authorized to procure commodities and
156 the services of a qualified person or entity to design, build,
157 finance, operate, maintain, and implement a high-speed rail
158 system, including the use of a DBOM or DBOM & F method using
159 a request for proposal, a request for qualifications, or an
160 invitation to negotiate.

161 (3) Notwithstanding any provision of this act to the
162 contrary, procurement of any person or entity to provide any
163 professional services as defined in s. 287.055(2)(a) shall be in
164 accordance with the provisions of s. 287.055.

165 Section 6. There is appropriated from funds within the
166 State Transportation Trust Fund designated for the
167 Transportation Outreach Program (TOP) by s. 339.137, Florida
168 Statutes, to the Florida High-Speed Rail Authority the sum of
169 \$75 million for fiscal year 2003-2004 to assist in the
170 implementation of the construction of the high-speed rail system
171 as defined in s. 341.8203(6). In the event funds designated for
172 the Transportation Outreach Program are insufficient to meet the
173 total appropriation, the maximum available funds shall be
174 appropriated from the Transportation Outreach Program and
175 additional funds equal to the amount of the insufficiency shall
176 be appropriated from funds within the State Transportation Trust
177 Fund for public transportation projects in accordance with
178 chapter 341, Florida Statutes, as provided in s. 206.46(3),
179 Florida Statutes, to the Florida High-Speed Rail Authority for



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180 the purposes set forth in this section. In the event that s.
 181 339.137, Florida Statutes, is repealed, the funds described in
 182 this section shall be appropriated from funds within the State
 183 Transportation Trust Fund committed by the Department of
 184 Transportation for public transportation projects in accordance
 185 with chapter 341, Florida Statutes, as provided in s. 206.46(3),
 186 Florida Statutes, to the Florida High-Speed Rail Authority for
 187 the purposes set forth in this section.

188 Section 7. Section 341.825, Florida Statutes, is created
 189 to read:

190 341.825 Annual legislative budget requests.--Commencing
 191 with fiscal year 2004-2005 and for the following 28 fiscal
 192 years, the Department of Transportation shall include in its
 193 annual legislative budget request an expenditure of not less
 194 than \$75 million to be provided by the Department of
 195 Transportation to the Florida High-Speed Rail Authority created
 196 by s. 341.821. Such budget shall include funding for projects
 197 approved by the authority that are determined by the authority
 198 to be in furtherance of the construction of the high-speed rail
 199 system as defined in s. 341.8203(6). The funds described in this
 200 section shall be appropriated from funds within the State
 201 Transportation Trust Fund designated for the Transportation
 202 Outreach Program by s. 339.137 to the Florida High-Speed Rail
 203 Authority. In the event funds designated for the Transportation
 204 Outreach Program are insufficient to meet the total
 205 appropriation, the maximum available funds shall be appropriated
 206 from the Transportation Outreach Program and additional funds
 207 equal to the amount of the insufficiency shall be appropriated
 208 from funds within the State Transportation Trust Fund for public
 209 transportation projects in accordance with chapter 341, as



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210 provided in s. 206.46(3), to the Florida High-Speed Rail
 211 Authority for the purposes set forth in this section. In the
 212 event that s. 339.137 is repealed, the funds described in this
 213 section shall be appropriated from funds within the State
 214 Transportation Trust Fund committed by the Department of
 215 Transportation for public transportation projects in accordance
 216 with chapter 341, as provided in s. 206.46(3), to the Florida
 217 High-Speed Rail Authority for the purposes set forth in this
 218 section.

219 Section 8. Section 341.826, Florida Statutes, is created
 220 to read:

221 341.826 Pledging of funds.--Funds allocated pursuant to
 222 this act may be assigned, pledged, or set aside as a trust for
 223 the payment of principal or interest on revenue bonds, notes, or
 224 other forms of indebtedness issued by the Florida High-Speed
 225 Rail Authority or on its behalf by the Division of Bond Finance;
 226 however, such debt shall not constitute a general obligation of
 227 the State of Florida. The state does hereby covenant with
 228 holders of such revenue bonds or such other instruments of
 229 indebtedness issued hereunder that it will not repeal, impair,
 230 or amend in any manner the appropriation of such funds that
 231 would materially or adversely affect the rights of such holders,
 232 so long as bonds authorized hereby are outstanding.

233 Section 9. Two full-time equivalent positions for an
 234 executive director and an assistant to the executive director
 235 are hereby created and authorized for the Florida High Speed
 236 Rail Authority.

237 Section 10. This act shall take effect July 1, 2003.