



CHAMBER ACTION

The Committee on Finance & Tax recommends the following:

Committee Substitute

Remove the entire bill and insert:

A bill to be entitled

An act relating to the Florida High-Speed Rail Authority; amending s. 341.8203, F.S.; defining "excess revenues"; amending the definition of "rail station," "station," or "high-speed rail station"; providing that the general public shall have full and unrestricted access to high-speed rail stations; requiring high-speed rail stations to be accessible by regional intermodal passenger modes; amending s. 341.840, F.S.; providing that the tax exemption granted the authority shall not apply to any associated development or to income, sales, or other taxable transactions related to any associated development; creating s. 341.843, F.S.; requiring specified contractors to provide surety bonds; providing requirements with respect to such bonds; creating s. 341.844, F.S.; authorizing the Division of Bond Finance to issue revenue bonds for and on behalf of the authority for the purpose of financing or refinancing the construction,



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29 reconstruction, and improvement of the high-speed rail
30 system; amending s. 341.830, F.S.; providing that
31 procurement by the authority of any person or entity to
32 provide professional services shall be in accordance with
33 the Consultants' Competitive Negotiation Act; creating s.
34 341.825, F.S.; requiring the Department of Transportation
35 to include a request for specified expenditures to be
36 provided to the Florida High-Speed Rail Authority in its
37 annual legislative budget requests for a specified period;
38 providing requirements with respect to such budget
39 requests and sources of appropriations; creating s.
40 341.826, F.S.; providing for the assignment, pledging, or
41 setting aside of such funds as a trust for the payment of
42 principal or interest on bonds issued by the authority;
43 amending s. 341.827, F.S.; authorizing the authority to
44 identify segment or project phases and to determine the
45 order in which the phases are to be completed, based on
46 specified criteria; providing that, subject to the United
47 States Environmental Protection Act, the authority shall
48 select a particular Orlando area route, based on certain
49 criteria; creating s. 341.845, F.S.; providing for
50 distribution and uses of excess revenues generated through
51 the operation of the high-speed rail system; providing for
52 two full-time equivalent positions; providing an effective
53 date.

54
55 Be It Enacted by the Legislature of the State of Florida:
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57 Section 1. Subsections (6) through (9) of section
58 341.8203, Florida Statutes, are renumbered subsections (7)
59 through (10), respectively, a new subsection (6) is added to
60 said section, subsection (10) is renumbered as subsection (11)
61 and amended, and subsections (11) through (14) are renumbered as
62 subsections (12) through (15), respectively, to read:

63 341.8203 Definitions.--As used in this act, unless the
64 context clearly indicates otherwise, the term:

65 (6) "Excess revenues" means those revenues agreed upon by
66 contract between the authority and the DBOM or DBOM & F
67 contractor as being excess revenues from any source within the
68 operation of the high-speed rail system.

69 (11)(10) "Rail station," "station," or "high-speed rail
70 station" means any structure or transportation facility that is
71 part of a high-speed rail system designed to accommodate the
72 movement of passengers from one mode of transportation to
73 another at which passengers board or disembark from
74 transportation conveyances and transfer from one mode of
75 transportation to another. As part of the high-speed rail
76 system, the general public shall have full and unrestricted
77 access to all high-speed rail stations for the purpose of using
78 the high-speed rail system. All high-speed rail stations must be
79 accessible by regional intermodal passenger modes to connect the
80 surrounding community to the high-speed rail station.

81 Section 2. Section 341.840, Florida Statutes, is amended
82 to read:

83 341.840 Tax exemption.--The exercise of the powers granted
84 by this act will be in all respects for the benefit of the



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85 | people of this state, for the increase of their commerce,
86 | welfare, and prosperity, and for the improvement of their health
87 | and living conditions, and as the design, building, operation,
88 | maintenance, and financing of a system by the authority or its
89 | agent or the owner or lessee thereof, as herein authorized,
90 | constitutes the performance of an essential public function,
91 | neither the authority, its agent, nor the owner of such system
92 | shall be required to pay any taxes or assessments upon or in
93 | respect to the system or any property acquired or used by the
94 | authority, its agent, or such owner under the provisions of this
95 | act or upon the income therefrom, any security therefor, their
96 | transfer, and the income therefrom, including any profit made on
97 | the sale thereof, shall at all times be free from taxation of
98 | every kind by the state, the counties, and the municipalities
99 | and other political subdivisions in the state, provided,
100 | however, that the tax exemption pursuant to this section shall
101 | not apply to any associated development or to income, sales, or
102 | other taxable transactions related to any associated
103 | development.

104 | Section 3. Section 341.843, Florida Statutes, is created
105 | to read:

106 | 341.843 Surety bond; requirement with respect to high-
107 | speed rail system.--

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

111 | (2) Prior to commencing any construction work by the DBOM
112 | or DBOM & F contractor, the authority shall require that the



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113 contractor provide to the authority a payment and performance
114 bond that covers 100 percent of the costs of the construction,
115 provided, however, that if such level of surety is not
116 commercially available, the authority, notwithstanding ss.
117 255.05 and 337.18, may require a monetary surety amount of less
118 than 100 percent of such costs or may authorize that surety
119 bonds be provided on a phased basis.

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

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

129 Section 4. Section 341.844, Florida Statutes, is created
130 to read:

131 341.844 Revenue bonds; project financing.--Upon the
132 request of the Florida High-Speed Rail Authority, the Division
133 of Bond Finance is authorized pursuant to s. 11, Art. VII of the
134 State Constitution and the State Bond Act to issue revenue bonds
135 for and on behalf of the Florida High-Speed Rail Authority for
136 the purpose of financing or refinancing the construction,
137 reconstruction, and improvement of a high-speed rail system.
138 Bonds issued pursuant to this section shall be payable from the
139 revenues of the high-speed rail system or other revenues of the
140 authority, including funds appropriated for the authority.



141 Section 5. Section 341.830, Florida Statutes, is amended
142 to read:

143 341.830 Procurement.--

144 (1) The authority may employ procurement methods under
145 chapters 255, 287, and 337 and under any rule adopted under such
146 chapters. To enhance the effective and efficient operation of
147 the authority, and to enhance the ability of the authority to
148 use best business practices, the authority may, pursuant to ss.
149 120.536(1) and 120.54, adopt rules for and employ procurement
150 methods available to the private sector.

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

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

161 Section 6. Section 341.825, Florida Statutes, is created
162 to read:

163 341.825 Annual legislative budget requests.--Commencing
164 with fiscal year 2004-2005 and for the following 30 fiscal
165 years, the Department of Transportation shall include in its
166 annual legislative budget request an expenditure of not less
167 than \$75 million to be provided by the Department of
168 Transportation to the Florida High-Speed Rail Authority created



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169 by s. 341.821. Such budget shall include funding for projects
170 approved by the authority that are determined by the authority
171 to be in furtherance of the construction of the high-speed rail
172 system as defined in s. 341.8203(6). The funds described in this
173 section shall be appropriated from funds within the State
174 Transportation Trust Fund designated for the Transportation
175 Outreach Program by s. 339.137 to the Florida High-Speed Rail
176 Authority. In the event funds designated for the Transportation
177 Outreach Program are insufficient to meet the total
178 appropriation, the maximum available funds shall be appropriated
179 from the Transportation Outreach Program and additional funds
180 equal to the amount of the insufficiency shall be appropriated
181 from funds within the State Transportation Trust Fund for public
182 transportation projects in accordance with chapter 341, as
183 provided in s. 206.46(3), to the Florida High-Speed Rail
184 Authority for the purposes set forth in this section. In the
185 event that s. 339.137 is repealed, the funds described in this
186 section shall be appropriated from funds within the State
187 Transportation Trust Fund committed by the Department of
188 Transportation for public transportation projects in accordance
189 with chapter 341, as provided in s. 206.46(3), to the Florida
190 High-Speed Rail Authority for the purposes set forth in this
191 section.

192 Section 7. Section 341.826, Florida Statutes, is created
193 to read:

194 341.826 Pledging of funds.--Funds allocated pursuant to
195 this act may be assigned, pledged, or set aside as a trust for
196 the payment of principal or interest on revenue bonds, notes, or



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197 other forms of indebtedness issued by the Florida High-Speed
198 Rail Authority or on its behalf by the Division of Bond Finance;
199 however, such debt shall not constitute a general obligation of
200 the State of Florida. The state does hereby covenant with
201 holders of such revenue bonds or such other instruments of
202 indebtedness issued hereunder that it will not repeal, impair,
203 or amend in any manner the appropriation of such funds that
204 would materially or adversely affect the rights of such holders,
205 so long as bonds authorized hereby are outstanding.

206 Section 8. Subsections (1) and (2) of section 341.827,
207 Florida Statutes, are amended to read:

208 341.827 Service areas; segment designation.--

209 (1)(a) The authority shall determine in which order the
210 service areas, as designated by the Legislature, will be served
211 by the high-speed rail system.

212 (b) After completing the Orlando area segment, the
213 Lakeland/Winter Haven area segment, and the Tampa area segment,
214 known as "Phase I," the authority also may identify segment or
215 project phases, and determine the order in which these phases
216 are to be completed, based on the criteria contained in
217 paragraph (2)(c).

218 (2) The authority shall plan and develop the high-speed
219 rail system so that construction proceeds as follows:

220 (a) The initial segments of the system shall be developed
221 and operated between the St. Petersburg area, the Tampa area,
222 the Lakeland/Winter Haven area, and the Orlando area, with
223 future service to the Miami area.



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224 (b) Subject to the provisions of the United States
225 Environmental Protection Act, the authority shall select in the
226 Orlando area the most direct route between the Orlando
227 International Airport, as the primary multimodal hub in the
228 corridor, and the first destination station on the Orlando-to-
229 Tampa route, which is identified as the Orlando area station.
230 This Orlando area station shall be located on the corridor that
231 provides the most direct route, and the minimum nonstop travel
232 time, from Orlando International Airport to Tampa. The minimum
233 nonstop travel time from Orlando International Airport to Tampa,
234 used to make this identification, shall be the times identified
235 by DBOM or DBOM & F proposers in their proposals submitted to
236 the authority on February 10, 2003, and who are deemed
237 responsive by the authority at the time this act becomes law.
238 The Orlando area station also must be one of the possible
239 station sites included in the authority's DBOM & F "Request for
240 Proposals for Phase 1, Part 1, Tampa to Orlando," issued October
241 7, 2002.

242 (c)~~(b)~~ Construction of subsequent segments of the high-
243 speed rail system shall connect the metropolitan areas of Port
244 Canaveral/Cocoa Beach, Ft. Pierce, West Palm Beach, Ft.
245 Lauderdale, Daytona Beach, St. Augustine, Jacksonville, Ft.
246 Myers/Naples, Sarasota/Bradenton, Gainesville/Ocala,
247 Tallahassee, and Pensacola.

248 (d)~~(e)~~ Selection of segments of the high-speed rail system
249 to be constructed subsequent to the initial segments of the
250 system shall be prioritized by the authority, giving
251 consideration to the demand for service, financial participation



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252 by local governments, financial participation by the private
253 sector, and the available financial resources of the authority.

254 Section 9. Section 341.845, Florida Statutes, is created
255 to read:

256 341.845 Use of high-speed rail system excess revenues.--

257 (1) All excess revenues generated through the operation of
258 the high-speed rail system shall be returned by the DBOM or DBOM
259 & F contractor to the authority.

260 (2) Excess revenues generated by the initial segment of
261 the high-speed rail system shall be distributed by the authority
262 on an annual basis as follows:

263 (a) Fifty percent of excess revenues shall be retained by
264 the authority to be utilized for administrative costs, for debt
265 service, or to build infrastructure to extend the system in
266 accordance with ss. 341.823 and 341.827.

267 (b) Fifty percent of excess revenues shall be distributed
268 to the Department of Transportation by the authority for the
269 exclusive purpose of financing and constructing regional
270 intermodal passenger modes to connect the community to rail
271 stations. The department shall allocate a minimum of 10 percent
272 of the available excess revenues distributed under this
273 paragraph to projects in each community containing a high-speed
274 rail station. The formula for allocating the balance of
275 available funds to projects in such communities shall be based
276 on average daily station boardings in proportion to total
277 average daily boardings. The Orlando area regional intermodal
278 passenger modes must connect with the high-speed rail system at
279 Orlando International Airport and at the Orlando area station



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280 and must have a regional intermodal passenger station on or near
281 the Orange County Convention Center.

282 (c) The funds provided in paragraph (b) for the Orlando
283 area regional intermodal passenger modes shall be used to
284 connect the Orlando International Airport to the Orange County
285 Convention Center and the Orange County Convention Center to the
286 Orlando area station.

287 Section 10. Two full-time equivalent positions for an
288 executive director and an assistant to the executive director
289 are hereby created and authorized for the Florida High-Speed
290 Rail Authority.

291 Section 11. This act shall take effect July 1, 2003.