

## LEGISLATIVE ACTION

Senate House

Comm: RCS 03/10/2009

The Committee on Transportation (Gardiner) recommended the following:

## Senate Amendment (with title amendment)

Delete lines 8 - 9

and insert:

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Section 1. Paragraph (b) of subsection (1) of section 337.18, Florida Statutes, is amended to read:

337.18 Surety bonds for construction or maintenance contracts; requirement with respect to contract award; bond requirements; defaults; damage assessments.-

(1)

(b) Before beginning any work under the contract, the

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contractor shall maintain a copy of the payment and performance bond required under this section at its principal place of business and at the jobsite office, if one is established, and the contractor shall provide a copy of the payment and performance bond within 5 days after receiving a written request for the bond. A copy of the payment and performance bond required under this section may also be obtained directly from the department by making a request pursuant to chapter 119. Upon execution of the contract, and prior to beginning any work under the contract, the contractor shall record in the public records of the county where the improvement is located the payment and performance bond required under this section. A claimant has shall have a right of action against the contractor and surety for the amount due him or her, including unpaid finance charges due under the claimant's contract. The Such action may shall not involve the department in any expense.

Section 2. Subsections (1), (2), and (7) of section 337.185, Florida Statutes, are amended to read:

337.185 State Arbitration Board.-

(1) To facilitate the prompt settlement of claims for additional compensation arising out of construction and maintenance contracts between the department and the various contractors with whom it transacts business, the Legislature does hereby establish the State Arbitration Board, referred to in this section as the "board." For the purpose of this section, the term "claim" means shall mean the aggregate of all outstanding claims by a party arising out of a construction or maintenance contract. Every contractual claim in an amount up to \$250,000 per contract or, at the claimant's option, up to

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\$500,000 per contract or, upon agreement of the parties, up to \$1 million per contract that cannot be resolved by negotiation between the department and the contractor shall be arbitrated by the board after acceptance of the project by the department. As an exception, either party to the dispute may request that the claim be submitted to binding private arbitration. A court of law may not consider the settlement of such a claim until the process established by this section has been exhausted.

- (2) The board shall be composed of three members. One member shall be appointed by the head of the department, and one member shall be elected by those construction or maintenance companies who are under contract with the department. The third member shall be chosen by agreement of the other two members. Whenever the third member has a conflict of interest regarding affiliation with one of the parties, the other two members shall select an alternate member for that hearing. The head of the department may select an alternative or substitute to serve as the department member for any hearing or term. Each member shall serve a 2-year term. The board shall elect a chair, each term, who shall be the administrator of the board and custodian of its records.
- (7) The members of the board may receive compensation for the performance of their duties hereunder, from administrative fees received by the board, except that no employee of the department may receive compensation from the board. The compensation amount shall be determined by the board, but may shall not exceed \$125 per hour, up to a maximum of \$1,000 per day for each member authorized to receive compensation. Nothing in This section does not shall prevent the member elected by

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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 board. Travel expenses for the industry member may be paid by an industry association, if necessary. The board may allocate funds annually for clerical and other administrative services.

Section 3. Subsection (6) is added to section 338.01, Florida Statutes, to read:

338.01 Authority to establish and regulate limited access facilities.-

(6) All new limited access facilities and existing transportation facilities on which new or replacement electronic toll collection systems are installed shall be interoperable with the department's electronic toll-collection system.

Section 4. Present subsections (7) and (8) of section 338.165, Florida Statutes, are renumbered as subsections (8) and (9), respectively, and a new subsection (7) is added to that section, to read:

338.165 Continuation of tolls.-

(7) This section does not apply to high-occupancy toll lanes or express lanes.

Section 5. Section 338.166, Florida Statutes, is created to read:

338.166 High-occupancy toll lanes or express lanes.-

(1) Under s. 11, Art. VII of the State Constitution, the department may request the Division of Bond Finance to issue bonds secured by toll revenues collected on high-occupancy toll lanes or express lanes located on Interstate 95 in Miami-Dade and Broward Counties.

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- (2) The department may continue to collect the toll on the high-occupancy toll lanes or express lanes after the discharge of any bond indebtedness related to such project. All tolls so collected shall first be used to pay the annual cost of the operation, maintenance, and improvement of the high-occupancy toll lanes or express lanes project or associated transportation system.
- (3) Any remaining toll revenue from the high-occupancy toll lanes or express lanes shall be used by the department for the construction, maintenance, or improvement of any road on the State Highway System.
- (4) The department may implement variable-rate tolls on high-occupancy toll lanes or express lanes.
- (5) Except for high-occupancy toll lanes or express lanes, tolls may not be charged for use of an interstate highway where tolls were not charged as of July 1, 1997.
- (6) This section does not apply to the turnpike system as defined under the Florida Turnpike Enterprise Law.

Section 6. Paragraph (d) is added to subsection (1) of section 338.2216, Florida Statutes, to read:

338.2216 Florida Turnpike Enterprise; powers and authority.-

(1)

(d) The Florida Turnpike Enterprise shall pursue and implement new technologies and processes in its operations and collection of tolls and the collection of other amounts associated with road and infrastructure usage. Such technologies and processes must include, without limitation, video billing and variable pricing.

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Section 7. Section 338.231, Florida Statutes, is amended to read:

338.231 Turnpike tolls, fixing; pledge of tolls and other revenues.—The department shall at all times fix, adjust, charge, and collect such tolls and amounts for the use of the turnpike system as are required in order to provide a fund sufficient with other revenues of the turnpike system to pay the cost of maintaining, improving, repairing, and operating such turnpike system; to pay the principal of and interest on all bonds issued to finance or refinance any portion of the turnpike system as the same become due and payable; and to create reserves for all such purposes.

(1) In the process of effectuating toll rate increases over the period 1988 through 1992, the department shall, to the maximum extent feasible, equalize the toll structure, within each vehicle classification, so that the per mile toll rate will be approximately the same throughout the turnpike system. New turnpike projects may have toll rates higher than the uniform system rate where such higher toll rates are necessary to qualify the project in accordance with the financial criteria in the turnpike law. Such higher rates may be reduced to the uniform system rate when the project is generating sufficient revenues to pay the full amount of debt service and operating and maintenance costs at the uniform system rate. If, after 15 years of opening to traffic, the annual revenue of a turnpike project does not meet or exceed the annual debt service requirements and operating and maintenance costs attributable to such project, the department shall, to the maximum extent feasible, establish a toll rate for the project which is higher

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than the uniform system rate as necessary to meet such annual debt service requirements and operating and maintenance costs. The department may, to the extent feasible, establish a temporary toll rate at less than the uniform system rate for the purpose of building patronage for the ultimate benefit of the turnpike system. In no case shall the temporary rate be established for more than 1 year. The requirements of this subsection shall not apply when the application of such requirements would violate any covenant established in a resolution or trust indenture relating to the issuance of turnpike bonds.

(1) (2) Notwithstanding any other provision of law, the department may defer the scheduled July 1, 1993, toll rate increase on the Homestead Extension of the Florida Turnpike until July 1, 1995. The department may also advance funds to the Turnpike General Reserve Trust Fund to replace estimated lost revenues resulting from this deferral. The amount advanced must be repaid within 12 years from the date of advance; however, the repayment is subordinate to all other debt financing of the turnpike system outstanding at the time repayment is due.

(2) The department shall publish a proposed change in the toll rate for the use of an existing toll facility, in the manner provided for in s. 120.54, which will provide for public notice and the opportunity for a public hearing before the adoption of the proposed rate change. When the department is evaluating a proposed turnpike toll project under s. 338.223 and has determined that there is a high probability that the project will pass the test of economic feasibility predicated on proposed toll rates, the toll rate that is proposed to be

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charged after the project is constructed must be adopted during the planning and project development phase of the project, in the manner provided for in s. 120.54, including public notice and the opportunity for a public hearing. For such a new project, the toll rate becomes effective upon the opening of the project to traffic.

(3) (a) <del>(4)</del> (3) For the period July 1, 1998, through June 30, 2017, the department shall, to the maximum extent feasible, program sufficient funds in the tentative work program such that the percentage of turnpike toll and bond financed commitments in Miami-Dade County, Broward County, and Palm Beach County as compared to total turnpike toll and bond financed commitments shall be at least 90 percent of the share of net toll collections attributable to users of the turnpike system in Miami-Dade County, Broward County, and Palm Beach County as compared to total net toll collections attributable to users of the turnpike system. The requirements of This subsection does do not apply when the application of such requirements would violate any covenant established in a resolution or trust indenture relating to the issuance of turnpike bonds. The department may at any time for economic considerations establish lower temporary toll rates for a new or existing toll facility for a period not to exceed 1 year, after which the toll rates adopted pursuant to s. 120.54 shall become effective.

(b) The department shall also fix, adjust, charge, and collect such amounts needed to cover the costs of administering the different toll-collection and payment methods, and types of accounts being offered and used, in the manner provided for in s. 120.54 which will provide for public notice and the

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opportunity for a public hearing before adoption. Such amounts may stand alone, be incorporated in a toll rate structure, or be a combination of the two.

 $(4) \frac{(5)}{(5)}$  When bonds are outstanding which have been issued to finance or refinance any turnpike project, the tolls and all other revenues derived from the turnpike system and pledged to such bonds shall be set aside as may be provided in the resolution authorizing the issuance of such bonds or the trust agreement securing the same. The tolls or other revenues or other moneys so pledged and thereafter received by the department are immediately subject to the lien of such pledge without any physical delivery thereof or further act. The lien of any such pledge is valid and binding as against all parties having claims of any kind in tort or contract or otherwise against the department irrespective of whether such parties have notice thereof. Neither the resolution nor any trust agreement by which a pledge is created need be filed or recorded except in the records of the department.

(5) In each fiscal year while any of the bonds of the Broward County Expressway Authority series 1984 and series 1986-A remain outstanding, the department is authorized to pledge revenues from the turnpike system to the payment of principal and interest of such series of bonds and the operation and maintenance expenses of the Sawgrass Expressway, to the extent gross toll revenues of the Sawgrass Expressway are insufficient to make such payments. The terms of an agreement relative to the pledge of turnpike system revenue will be negotiated with the parties of the 1984 and 1986 Broward County Expressway Authority lease-purchase agreements, and subject to the covenants of those

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agreements. The agreement must shall establish that the Sawgrass Expressway is shall be subject to the planning, management, and operating control of the department limited only by the terms of the lease-purchase agreements. The department shall provide for the payment of operation and maintenance expenses of the Sawgrass Expressway until such agreement is in effect. This pledge of turnpike system revenues is shall be subordinate to the debt service requirements of any future issue of turnpike bonds, the payment of turnpike system operation and maintenance expenses, and subject to provisions of any subsequent resolution or trust indenture relating to the issuance of such turnpike bonds.

(6) $\frac{(7)}{(7)}$  The use and disposition of revenues pledged to bonds are subject to the provisions of ss. 338.22-338.241 and such regulations as the resolution authorizing the issuance of the such bonds or such trust agreement may provide.

Section 8. Subsection (1) of section 479.01, Florida Statutes, is amended to read:

479.01 Definitions.—As used in this chapter, the term:

(1) "Automatic changeable facing" means a facing that which through a mechanical system is capable of delivering two or more advertising messages through an automated or remotely controlled process and shall not rotate so rapidly as to cause distraction to a motorist.

Section 9. Subsections (1), (5), and (9) of section 479.07, Florida Statutes, are amended to read:

479.07 Sign permits.-

(1) Except as provided in ss. 479.105(1)(e) and 479.16, a person may not erect, operate, use, or maintain, or cause to be

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erected, operated, used, or maintained, any sign on the State Highway System outside an urban incorporated area, as defined in s. 334.03(32), or on any portion of the interstate or federalaid primary highway system without first obtaining a permit for the sign from the department and paying the annual fee as provided in this section. As used in For purposes of this section, the term "on any portion of the State Highway System, interstate, or federal-aid primary system" means shall mean a sign located within the controlled area which is visible from any portion of the main-traveled way of such system.

(5)(a) For each permit issued, the department shall furnish to the applicant a serially numbered permanent metal permit tag. The permittee is responsible for maintaining a valid permit tag on each permitted sign facing at all times. The tag shall be securely attached to the sign facing or, if there is no facing, on the pole nearest the highway; and it shall be attached in such a manner as to be plainly visible from the main-traveled way. Effective July 1, 2011, the tag must be securely attached to the upper 50 percent of the pole nearest the highway and must be attached in such a manner as to be plainly visible from the main-traveled way. The permit becomes will become void unless the permit tag is properly and permanently displayed at the permitted site within 30 days after the date of permit issuance. If the permittee fails to erect a completed sign on the permitted site within 270 days after the date on which the permit was issued, the permit will be void, and the department may not issue a new permit to that permittee for the same location for 270 days after the date on which the permit became void.

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- (b) If a permit tag is lost, stolen, or destroyed, the permittee to whom the tag was issued must apply to the department for a replacement tag. The department shall adopt a rule establishing a service fee for replacement tags in an amount that will recover the actual cost of providing the replacement tag. Upon receipt of the application accompanied by the a service fee of \$3, the department shall issue a replacement permit tag. Alternatively, the permittee may provide its own replacement tag pursuant to department specifications that the department shall adopt by rule at the time it establishes the service fee for replacement tags.
- (9) (a) A permit shall not be granted for any sign for which a permit had not been granted by the effective date of this act unless such sign is located at least:
- 1. One thousand five hundred feet from any other permitted sign on the same side of the highway, if on an interstate highway.
- 2. One thousand feet from any other permitted sign on the same side of the highway, if on a federal-aid primary highway.

The minimum spacing provided in this paragraph does not preclude the permitting of V-type, back-to-back, side-to-side, stacked, or double-faced signs at the permitted sign site. If a sign is visible from the controlled area of more than one highway subject to the jurisdiction of the department, the sign shall meet the permitting requirements of, and, if the sign meets the applicable permitting requirements, be permitted to, the highway having the more stringent permitting requirements.

(b) A permit shall not be granted for a sign pursuant to

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this chapter to locate such sign on any portion of the interstate or federal-aid primary highway system, which sign:

- 1. Exceeds 50 feet in sign structure height above the crown of the main-traveled way, if outside an incorporated area;
- 2. Exceeds 65 feet in sign structure height above the crown of the main-traveled way, if inside an incorporated area; or
- 3. Exceeds 950 square feet of sign facing including all embellishments.
- (c) Notwithstanding subparagraph (a) 1., there is established a pilot program in Orange, Hillsborough, and Osceola Counties, and within the boundaries of the City of Miami, under which the distance between permitted signs on the same side of an interstate highway may be reduced to 1,000 feet if all other requirements of this chapter are met and if:
- 1. The local government has adopted a plan, program, resolution, ordinance, or other policy encouraging the voluntary removal of signs in a downtown, historic, redevelopment, infill, or other designated area which also provides for a new or replacement sign to be erected on an interstate highway within that jurisdiction if a sign in the designated area is removed;
- 2. The sign owner and the local government mutually agree to the terms of the removal and replacement; and
- 3. The local government notifies the department of its intention to allow such removal and replacement as agreed upon pursuant to subparagraph 2.

357 The department shall maintain statistics tracking the use 358 of the provisions of this pilot program based on the

notifications received by the department from local governments



under this paragraph.

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(d) Nothing in This subsection does not shall be construed so as to cause a sign that which was conforming on October 1, 1984, to become nonconforming.

Section 10. Section 479.08, Florida Statutes, is amended to read:

479.08 Denial or revocation of permit.—The department may has the authority to deny or revoke any permit requested or granted under this chapter in any case in which it determines that the application for the permit contains knowingly false or misleading information. The department may revoke any permit granted under this chapter in any case in which or that the permittee has violated any of the provisions of this chapter, unless such permittee, within 30 days after the receipt of notice by the department, corrects such false or misleading information and complies with the provisions of this chapter. For the purpose of this section, the notice of violation issued by the department must describe in detail the alleged violation. Any person aggrieved by any action of the department in denying or revoking a permit under this chapter may, within 30 days after receipt of the notice, apply to the department for an administrative hearing pursuant to chapter 120. If a timely request for hearing has been filed and the department issues a final order revoking a permit, such revocation shall be effective 30 days after the date of rendition. Except for department action pursuant to s. 479.107(1), the filing of a timely and proper notice of appeal shall operate to stay the revocation until the department's action is upheld.

Section 11. Subsections (1), (3), (4), and (5) of section

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479.261, Florida Statutes, are amended to read:

479.261 Logo sign program.—

- (1) The department shall establish a logo sign program for the rights-of-way of the interstate highway system to provide information to motorists about available gas, food, lodging, and camping, attractions, and other services, as approved by the Federal Highway Administration, at interchanges, through the use of business logos, and may include additional interchanges under the program. A logo sign for nearby attractions may be added to this program if allowed by federal rules.
- (a) An attraction as used in this chapter is defined as an establishment, site, facility, or landmark that which is open a minimum of 5 days a week for 52 weeks a year; that which charges an admission for entry; which has as its principal focus familyoriented entertainment, cultural, educational, recreational, scientific, or historical activities; and that which is publicly recognized as a bona fide tourist attraction. However, the permits for businesses seeking to participate in the attractions logo sign program shall be awarded by the department annually to the highest bidders, notwithstanding the limitation on fees in subsection (5), which are qualified for available space at each qualified location, but the fees therefor may not be less than the fees established for logo participants in other logo categories.
- (b) The department shall incorporate the use of RV-friendly markers on specific information logo signs for establishments that cater to the needs of persons driving recreational vehicles. Establishments that qualify for participation in the specific information logo program and that also qualify as "RV-

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friendly" may request the RV-friendly marker on their specific information logo sign. An RV-friendly marker must consist of a design approved by the Federal Highway Administration. The department shall adopt rules in accordance with chapter 120 to administer this paragraph, including rules setting forth the minimum requirements that establishments must meet in order to qualify as RV-friendly. These requirements shall include large parking spaces, entrances, and exits that can easily accommodate recreational vehicles and facilities having appropriate overhead clearances, if applicable.

- (c) The department may implement a 3-year rotation-based logo program providing for the removal and addition of participating businesses in the program.
- (3) Logo signs may be installed upon the issuance of an annual permit by the department or its agent and payment of a an application and permit fee to the department or its agent.
- (4) The department may contract pursuant to s. 287.057 for the provision of services related to the logo sign program, including recruitment and qualification of businesses, review of applications, permit issuance, and fabrication, installation, and maintenance of logo signs. The department may reject all proposals and seek another request for proposals or otherwise perform the work. If the department contracts for the provision of services for the logo sign program, the contract must require, unless the business owner declines, that businesses that previously entered into agreements with the department to privately fund logo sign construction and installation be reimbursed by the contractor for the cost of the signs which has not been recovered through a previously agreed upon waiver of



fees. The contract also may allow the contractor to retain a portion of the annual fees as compensation for its services.

(5) Permit fees for businesses that participate in the program must be established in an amount sufficient to offset the total cost to the department for the program, including contract costs. The department shall provide the services in the most efficient and cost-effective manner through department staff or by contracting for some or all of the services. The department shall adopt rules that set reasonable rates based upon factors such as population, traffic volume, market demand, and costs for annual permit fees. However, annual permit fees for sign locations inside an urban area, as defined in s. 334.03(32), may not exceed \$5,000, and annual permit fees for sign locations outside an urban area, as defined in s. 334.03(32), may not exceed \$2,500. After recovering program costs, the proceeds from the logo program shall be deposited into the State Transportation Trust Fund and used for transportation purposes. Such annual permit fee shall not exceed \$1,250.

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

Delete lines 2 - 4

and insert: 470

> An act relating to transportation; amending s. 337.18, F.S.; requiring the contractor to maintain a copy of the required payment and performance bond at certain locations and provide a copy upon request; providing that a copy may be obtained directly from the department; removing a provision

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requiring that a copy be recorded in the public records of the county; amending s. 337.185, F.S.; providing for the State Arbitration Board to arbitrate certain claims relating to maintenance contracts; providing for a member of the board to be elected by maintenance companies as well as construction companies; amending s. 338.01, F.S.; requiring new and replacement electronic toll collection systems to be interoperable with the department's system; amending s. 338.165, F.S.; providing that provisions requiring the continuation of tolls following the discharge of bond indebtedness does not apply to high-occupancy toll lanes or express lanes; creating s. 338.166, F.S.; authorizing the department to request that bonds be issued which are secured by toll revenues from high-occupancy toll or express lanes in a specified location; providing for the department to continue to collect tolls after discharge of indebtedness; authorizing the use of excess toll revenues for improvements to the State Highway System; authorizing the implementation of variable rate tolls on high-occupancy toll lanes or express lanes; amending s. 338.2216, F.S.; directing the Florida Turnpike Enterprise to implement new technologies and processes in its operations and collection of tolls and other amounts; amending s. 338.231, F.S.; revising provisions for establishing and collecting tolls; authorizing the collection of amounts to cover costs of toll collection and payment methods; requiring public notice and hearing; amending s. 479.01, F.S.; revising provisions for outdoor advertising; revising the definition of the term "automatic changeable facing"; amending s. 479.07, F.S.; revising a prohibition against signs on the State Highway System; revising requirements

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for display of the sign permit tag; directing the department to establish by rule a fee for furnishing a replacement permit tag; revising the pilot project for permitted signs to include Hillsborough County and areas within the boundaries of the City of Miami; amending s. 479.08, F.S.; revising provisions for denial or revocation of a sign permit; amending s. 479.261, F.S.; revising requirements for the logo sign program of the interstate highway system; deleting provisions providing for permits to be awarded to the highest bidders; requiring the department to implement a rotation-based logo program; requiring the department to adopt rules that set reasonable rates based on certain factors for annual permit fees; requiring that such fees not exceed a certain amount for sign locations inside and outside an urban area; providing an effective date.