HOUSE OF REPRESENTATIVES
FINAL BILL ANALYSIS

BILL #: CS/HB 345

SPONSOR(S): Economic Affairs Committee; Beshears and others

COMPANION BILLS: CS/CS/CS/SB 218

FINAL HOUSE FLOOR ACTION: 117 **Y's** 0 **N's**

GOVERNOR'S ACTION: Pending

SUMMARY ANALYSIS

CS/HB 345 passed the House on April 30, 2014 as CS/CS/CS/SB 218. The bill amends several provisions related to transportation. In summary, the bill:

- Revises provisions regarding utility relocation for transportation projects.
- Provides that commercial motor vehicles or trailers designed to transport unprocessed logs or pulpwood may show or display an amber light.
- Authorizes DOT to maintain city or county roads which lead to state parks.
- Provides for DOT to use appropriated funds to establish a statewide system of interconnected multiuse trails.
- Authorizes the Department of Transportation to factor revenues from leases for wireless communications facilities.
- Authorizes municipalities in rural areas of critical economic concern to compete for funding under the Small County Outreach Program, subject to a specific appropriation.
- Authorizes the Tampa-Hillsborough County Expressway Authority to construct facilities outside of Hillsborough County with the consent of the county where it is placing facilities.
- Provides for the disposal of personal property found on a public transportation system.
- Eliminates unnecessary rulemaking authority related to lighting restrictions for certain outdoor advertising signs.
- Exempts from permitting certain signs placed by tourist-oriented businesses, farm signs placed during harvest season, acknowledgement signs publicly funded school premises, and displays on specific sports facilities.
- Provides that certain exemptions from sign permitting requirements may not be implemented if the exemptions will adversely impact the state's allocation of federal transportation funds.
- Directs the Department of Transportation to notify a sign owner that a sign must be removed if federal funds are adversely impacted.
- Authorizes the Department of Transportation to remove a sign and assess costs to the sign owner under certain circumstances.
- Clarifies provisions related to the tourist-oriented directional sign program.

The bill has an indeterminate fiscal impact on both state and local government revenues and expenditures. (See Fiscal Analysis section for further detail.)

The bill was approved by the Governor on June 20, 2014, ch. 2014-169, L.O.F., and will become effective on July 1, 2014.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

The bill contains numerous provisions related to transportation. For ease of understanding, this analysis is arranged by topic.

Utility Relocation (Sections 1 and 5)

Current Situation
Section 125.42(5), F.S., provides that in the event of widening, repair, or reconstruction of any county road or highway, the utility is required to remove the utility lines except as provided in s. 337.403(1)(d)-(i), F.S.

Section 337.104, F.S., addresses the use of road and rail corridor right-of-way by utilities,[1] authorizing the Department of Transportation (DOT) and local government entities[2] to prescribe and enforce reasonable regulations relating to the placing and maintaining of any utility lines along, across, or on any road or publicly-owned rail corridors under their respective jurisdictions.

Section 337.403, F.S., provides that, other than the exceptions below, if an authority determines that a utility upon, under, over, or along a public road or publicly-owned rail corridor, is interfering with the safe continuous use, maintenance, improvement, extension or expansion of the road or rail corridor, the utility, upon 30 days written notice, is required to begin work to remove or relocate the utility at its own expense. The exceptions are:

- When the project is on the federal aid interstate system and federal funding is identified for at least 90 percent of the cost, DOT pays for the removal or relocation with federal funds.
- When utility work is performed as part of a transportation facility construction contract, DOT may participate in those costs in an amount limited to the difference between the official estimate of all the work in the agreement plus 10 percent of the amount awarded for the utility work in the construction contract.
- When utility work is performed in advance of a construction contract, DOT may participate in the cost of clearing and grubbing necessary for relocation.
- If the utility being removed or relocated was initially installed to serve an authority or its tenants, or both, the authority bears the cost of the utility work but is not responsible for the cost of removal or relocation of any subsequent additions to the facility for the purpose of serving others.
- If, in an agreement between the utility and an authority entered into after July 1, 2009, the utility convey, subordinates, or relinquishes a compensable property right to the authority for the purpose of accommodating the acquisition or use of the right-of-way by the authority without the agreement expressly addressing future responsibility for cost of removal or relocation the authority bears the cost of the utility work, but nothing impairs or restricts, or may be used to interpret, the terms of any agreement entered into prior to July 1, 2009.
- If the utility is an electric facility being relocated underground to enhance vehicular, bicycle, and pedestrian safety, and if ownership of the electric facility to be placed underground has been transferred from a private to a public utility within the past five years, DOT bears the cost of the necessary utility work.
- An authority may bear the cost of utility work when the utility is not able to establish a compensable property right in the property where the utility is located if:

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[1] "Utility" means any electric transmission, telephone, telegraph, or other communications service lines; pole lines; poles; railways; ditches; sewers; water, heat, or gas mains; pipelines; fences; gasoline tanks and pumps; or other structure. See s. 337.401(1)(a), F.S.
[2] Referred to in ss. 337.401-337.404, F.S., as the "authority."

- The utility was physically located on the particular property before the authority acquired rights in the property;
- The utility demonstrates that it has a compensable property right in all adjacent properties along the alignment of the utility; and
- The information available to the authority does not establish the relative priorities of the authority's and the utility's interest in the property.

Under DOT procedure 710-030-005, *Utility Work for Local Government Utilities,*[3] when a government entity cannot afford utility work necessitated by a DOT project, DOT will pay for the work and the government entity will sign a promissory note to reimburse DOT. Under these circumstances, if the entity does not reimburse DOT within 10 years, DOT can take steps to write off the loss as opposed to continuing the collection efforts.

<u>Proposed Changes</u>
The bill amends s. 125.42(5), F.S., providing that the utility is responsible for removing the utility lines if the lines are found by the county to be unreasonably interfering.

The bill amends s. 337.403(1)(d), F.S., relating to the exception if the utility being removed or relocated was initially installed to serve an authority or its tenants, or both, the authority bears the cost of the utility work but is not responsible for the cost of removal or relocation of any subsequent additions to the facility for the purpose of serving others. The bill provides that for a county or municipality, if such utility facility was installed in the right-of-way as a means to serve a county or municipal facility on a parcel of property adjacent to the right-of-way and if the intended use of the county or municipal facility is for a use other than transportation purposes, the obligation of the county or municipality to bear the costs of the utility work shall extend only to utility work on the parcel of property on which the facility of the county or municipality originally served by the utility facility is located.

The bill amends s, 337.403(1)(g)2., F.S., providing that the authority may bear the cost of utility work if the utility demonstrates it has a compensable property right in adjacent properties along the alignment of the utility or after due diligence, certifies that the utility does not have evidence to prove or disprove that it has a compensable property right in the particular property where the utility is located.

The bill creates s. 337.403(1)(h), F.S., providing that if a municipally owned or county-owned utility is located in a rural area of critical economic concern (RACEC)[4] and DOT determines that the utility is unable, and will not be able within the next 10 years to pay for the cost of utility work necessitated by a DOT project on the State Highway System, DOT may pay, in whole or in part, the cost of such utility work performed by DOT or its contractor.

According to DOT, this formalizes its current procedure of promissory note forgiveness for a local utility that meets certain criteria and demonstrates an inability to pay for utility work necessitated by a DOT project. DOT retains discretion to pay for work if the utility meets the prerequisites established in the bill. According to DOT, it currently "has approximately $12 million in promissory notes for utility relocations that under the legislation would be eligible for waivers."[5]

The bill creates s. 337.403(1)(i), F.S., providing that if the relocation of utility facilities is needed for the construction of a commuter rail service project or an intercity passenger rail service project, and the cost of the project is reimbursable by the Federal Government, then the utility that owns or operates the facilities located by permit on a DOT owned rail corridor shall perform all necessary utility relocation work after notice from DOT, and DOT must pay the expense for the utility relocation work in the same

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[3] http://www2.dot.state.fl.us/proceduraldocuments/procedures/proceduresbynumber.asp?index=7 (Last visited November 6, 2013.)
[4] Section 288.0656(2)(d) defines "rural area of critical economic concern" as "a rural community, or a region composed of rural communities, designated by the Governor, that has been adversely affected by an extraordinary economic event, severe or chronic distress, or a natural disaster or that presents a unique economic development opportunity of regional impact."
[5] Department of Transportation bill analysis of SB 218. Copy on file with House Transportation and Highway Safety Subcommittee.

proportion as Federal funds are expended on the rail project after deducting any increase in the value of a new facility and any salvage value derived from an old facility. In no event is the state required to use state dollars for such utility relocation work. These provisions do not apply to any phase of the Central Florida Rail Corridor project known as SunRail.

Amber Lights (Section 2)

Current Situation
Section 316.228(2), F.S., provides that any commercial motor vehicle or trailer transporting a load of unprocessed logs or pulpwood, when the load extends more than four feet beyond the rear the vehicle, it must have securely fixed as close as practical to the end of any such projection one amber strobe-type lamp equipped with a multidirectional type lens so mounted as to be visible from the rear and both sides of the projecting load. The lamp must be operating at any time of the day or night when the vehicle is operated on any highway or parked on the shoulder or immediately adjacent to the traveled portion of any public roadway. The projecting load must also be marked with a red flag as described in s. 316.228(1), F.S.

Section 316.2397(4), F.S., provides that road or street maintenance equipment, road or street maintenance vehicles, road service vehicles, refuse collection vehicles, petroleum tankers, and mail carrier vehicles may show or display amber lights when in operation or a hazard exists. However, no provision exists regarding attaching amber lights to vehicles or trailers designed to transport unprocessed logs or pulpwood.

Proposed Changes
The bill amends s. 316.2397(4), F.S., providing that a commercial motor vehicle or trailer designed to transport unprocessed logs or pulpwood may show or display an amber light affixed to the rearmost point of the vehicle or trailer.

Access to State Parks (Section 3)

Current Situation
Section 335.06, F.S. requires DOT to maintain roads that provide access to state parks if the roads are part of the State Highway System (SHS). If the access road is part of the county road or city street system, the appropriate local government is required to maintain the road.

Proposed Changes
The bill amends s. 335.06, F.S. authorizing DOT to improve and maintain roads that are part of the county road system or city street system if they provide access to a state park. If DOT does not maintain the road, the appropriate county or municipality shall maintain the road.

Bicycle and Pedestrian Ways (Section 4)

Current Situation
The State Transportation Trust Fund (STTF) revenues are derived from state fuel taxes, motor vehicle fees, toll road receipts, and federal grants. The use of moneys in the STTF is limited to those uses set forth in s. 339.08, F.S., and unless otherwise specifically authorized, these funds cannot be allocated for projects off the SHS. State funds available for projects such as recreational or multiuse trails are limited to FDOT district dedicated revenues from the proceeds of the State Comprehensive Enhanced Transportation System (SCETS) Tax.

Proposed Changes
The bill creates ss. 335.065(4) and (5), F.S. authorizing the use of revenues in the STTF to be expended for the purpose of establishing a statewide system of interconnected multiuse trails. DOT may use appropriated funds to pay the cost of planning, land acquisition, design, and construction of such trails and related facilities.

DOT is directed to give funding priority to projects that:

- Are identified by Florida Greenway and Trails Council as a priority;
- Support the transportation needs of bicyclists and pedestrians;
- Have national, statewide, or regional importance; and
- Will facilitate an interconnected system by completing gaps between existing trails.

A project funded pursuant to s. 335.065(4), F.S., must be included in DOT's work program.[6] Upon completion of construction, the trail must be operated and maintained by an entity other than DOT. The bill provides that DOT is not obligated to provide funds for operation and maintenance of the trail.

Leasing of Wireless Communications Facilities (Section 6)

Current Situation

Section 365.172(12)(f), F.S., authorizes the leasing of state property for wireless communication facilities. Throughout the state, many wireless communications facilities are located on DOT right-of-way. DOT currently does not have statutory authority to allow for the factoring of revenues from leases for wireless communications facilities.

Proposed Changes

The bill creates s. 339.041, F.S., relating to the factoring of revenues from leases for wireless communications facilities.

The bill provides Legislative findings that efforts to increase funding for capital expenditures for the transportation system are necessary for the protection of the public safety and general welfare and for the preservation of transportation facilities. It is the intent of the Legislature to:

- Create a mechanism for factoring future revenues received by DOT from leases for wireless communication facilities on DOT property on a nonrecourse basis;
- Fund fixed capital expenditures for the statewide transportation system from proceeds generated through this mechanism;
- Maximize revenues from factoring by ensuring that such revenues are exempt from income taxation under federal law in order to increase funds available for capital expenditure.

For purposes of factoring revenues, DOT property includes:

- Real property located within DOT's limited access rights-of-way;
- Property located outside the current operating right-of-way limits which is not needed to support current transportation facilities;
- Other property owned by the Board of Trustees of the Internal Improvement Trust Fund and leased by DOT;
- Space on DOT telecommunications facilities; and
- Space on DOT structures.

The bill authorizes DOT to solicit investors willing to enter into agreements to purchase the revenue stream from one or more existing DOT leases for wireless communication facilities on property owned or controlled by DOT through the issuance of an invitation to negotiate. These agreements are to be structured as tax-exempt financings for federal tax purposes in order to result in the largest possible payout.

[6] DOT's work program is developed pursuant to s. 339.135, F.S.

DOT may not pledge the credit, the general revenues, or the taxing power of the state or of any political subdivision of the state. DOT and investor obligations under the agreement do not constitute a general obligation of the state or a pledge of the full faith and credit or taxing power of the state. The agreement is payable from and secured solely by payments received from DOT leases for wireless communication facilities on property owned or controlled by DOT, and neither the state nor any of its agencies has any liability beyond such payment.

DOT may make any covenant or representation necessary or desirable in connection with the agreement, including a commitment by DOT to take whatever actions are necessary on behalf of investors to enforce DOT's rights to payments on property leased for wireless communication facilities. However, DOT may not guarantee that revenues actually received in a future year will be those anticipated in its leases for wireless communication facilities. DOT may agree to use its best efforts to ensure that anticipated future-year revenues are protected. Any risk that actual revenues received from DOT leases for wireless communications facilities will be lower than anticipated shall be borne exclusively by investors.

Subject to annual appropriation, the investors shall collect the lease payments on a schedule and in a manner established in the agreements entered into between DOT and the investors. The agreements may provide for lease payments to be made directly to investors by lessees if the lease agreements entered into by DOT and lessees pursuant to s. 365.172(12)(f), F.S., allow direct payment.

Proceeds received by DOT from leases for wireless communications facilities shall be deposited into the State Transportation Trust Fund[7] and used for fixed capital expenditures for the statewide transportation system.

Small County Outreach Program (Section 7)

Current Situation

The Small County Outreach Program (SCOP) is authorized in s. 339.2818, F.S. The purpose of the program is to assist small county governments in repairing or rehabilitating county bridges, paving unpaved roads, addressing road related drainage improvements, resurfacing or reconstructing of county roads, or constructing capacity or safety improvements to county roads. A small county is defined as any county that has a population of 150,000 or less as determined by the most recent official population estimate as determined by the Office of Economic and Demographic Research.

Small counties are eligible to compete for funds designated for projects on county roads. DOT provides 75 percent of the cost of the projects funded under this program. Funds paid into the State Transportation Trust Fund pursuant to s. 201.15, F.S., for the purposes of the SCOP are annually appropriated for expenditure to support the program. [8]

Effect of Proposed Changes

The bill amends s. 339.2818, F.S., allowing a municipality within a RACEC or a RACEC community designated under s. 288.0656(7)(a), F.S., to compete for project funding using the existing criteria of SCOP as specified in s. 339.2818(4), F.S., at up to 100 percent of the project costs, excluding capacity projects. The funding for municipalities would be subject to an additional appropriation in excess of those appropriated for the Small County Outreach Program.

Tampa-Hillsborough County Expressway Authority (Sections 8 and 9)

Current Situation

[7] The State Transportation Trust Fund is created under s. 206.46, F.S.

[8] Section. 201.15(1)(c)1., F.S., provides for the distribution of 38.2 percent or $541.75 million (whichever is less) of documentary stamp tax revenues to the State Transportation Trust Fund in FDOT, and allocates the revenues among various programs.

The Tampa Hillsborough County Expressway Authority (THEA) is created in part II of ch. 348, F.S.,[9] and has the purposes of and has the power to construct, reconstruct, improve, extend, repair, maintain, and operate an expressway system in Hillsborough County.[10] THEA owns and operates the Lee-Roy Selmon Expressway, a 15-mile, four-lane limited-access road in Hillsborough County.

Proposed Changes
The bill amends s. 348.53, F.S. to provide that the purposes of THEA include managed lanes and other transit supporting facilities.

The bill creates s. 348.54(15), F.S., providing that with consent of the county within whose jurisdiction the activities occur, THEA may construct, operate, and maintain roads, bridges, avenues of access, thoroughfares, and boulevards and managed lanes and other transit supporting facilities outside the jurisdictional boundaries of Hillsborough County and within the jurisdictional boundaries of counties contiguous with Hillsborough County. THEA also has the right to construct, repair, replace, operate, install, and maintain such facilities and electronic toll payment systems directly related or incidental to these facilities.

Disposal of Personal Property Found on a Public Transportation System (Section 10)

Current Situation
Current law allows public use airports, colleges, and universities to dispose of lost or abandoned property 30 days after the property is found. However, unclaimed property found on a public transportation system must be held for 90 days and the statutes are silent on procedures for disposal.

Proposed Changes
The bill creates s. 341.103, F.S., relating to the disposal of personal property found on a public transportation system. If personal property is found on a public transportation system, the system's director or designee takes charge of the property and makes a record of the date such property was found. If, within 90 calendar days after such property is found, or a longer period of time if deemed appropriate, the property is not claimed by the owner, the director or designee may:

- Retain any or all of the property for use by the public transportation system or for use by the state or the unit of local government owning or operating a public transportation system;
- Trade or donate such property to another unit of local government or a state agency;
- Donate the property to a charitable organization;
- Sell the property; or
- Dispose of the property through an appropriate refuse removal company or a company that provides salvage services for the type of personal property found or located on the public transportation system.

If the owner is known, the public transportation system is required to notify the owner that the property has been found and its intent to dispose of the property.

If the public transportation system elects to sell the property, it shall be sold at a public auction on the Internet or at a specified physical location. If the owner's identity and address is known, written notice via certified mail, return receipt requested, must be provided to the owner before a sale is advertised. Notice of the time and place of the sale must be given at least 10 calendar days before the date of sale in a publication of general circulation within the county where the public transportation system is located. Such notice is sufficient if it refers to the public transportation system's intention to sell all accumulated found property. There is no requirement that the notice identify each item to be sold. The rightful owner of such property may reclaim the property at any time before the sale by presenting acceptable evidence of ownership to the public transportation system director or designee. All proceeds

[9] Part II of ch. 348, F.S., consists of ss. 348.50 through 348.70, F.S.
[10] S. 348.53, F.S.

from the sale of the property shall be retained by the public transportation system for use by the public transportation system in any lawfully authorized manner.

A purchaser or recipient of personal property sold or obtained in good faith takes possession of the property free of the rights of the persons previously holding any equitable interest in the property.

Outdoor Advertising (Sections 11 and 12)

Current Situation

Control of Outdoor Advertising
Since the passage of the Highway Beautification Act (HBA) in 1965,[11] FHWA has established controls for outdoor advertising along Federal-Aid Primary, Interstate and National Highway System (NHS) roads. The HBA allows the location of billboards in commercial and industrial areas, mandates a state compliance program, requires the development of state standards, promotes the expeditious removal of illegal signs, and requires just compensation for takings.

The primary features of the Highway Beautification Act include:

- Billboards are allowed, by statute, in commercial and industrial areas consistent with size, lighting and spacing provisions as agreed to by the state and federal governments. Billboard controls apply to all Interstates, Federal-Aid Primaries, and other highways that are part of the National Highway System.
- States have the discretion to remove legal nonconforming signs[12] along highways. However, the payment of just (monetary) compensation is required for the removal of any lawfully erected billboard along the Federal-Aid Primary, Interstate and National Highway System roads.
- States and localities may enact stricter laws than stipulated in the HBA.
- No new signs can be erected along the scenic portions of state designated scenic byways of the Interstate and Federal-Aid Primary highways, but billboards are allowed in segmented areas deemed un-scenic on those routes.

The HBA mandates state compliance and the development of standards for certain signs as well as the removal of nonconforming signs. While the states are not directly forced to control signs, failure to impose the required controls can result in a substantial penalty. The penalty for non-compliance with the HBA is a 10 percent reduction of the state's annual federal-aid highway apportionment.[13]

Under the provisions of a 1972 agreement[14] between the State of Florida and the U.S. Department of Transportation (USDOT) incorporating the HBA's required controls, DOT requires commercial signs to meet certain requirements when they are within 660 feet of Interstate and Federal-Aid Primary highways in urban areas, or visible at any distance from the same roadways when outside of urban areas. The agreement embodies the federally-required "effective control of the erection and maintenance of outdoor advertising signs, displays, and devices." Absent this effective control, the non-compliance penalty of 10 percent of federal highway funds may be imposed. Florida has never been penalized for loss of effective control of outdoor advertising signs.

Florida's outdoor advertising laws are found in ch. 479, F.S., and are based on federal law and the 1972 agreement.

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[11] 23 U.S.C. 131
[12] A "legal nonconforming sign" is a sign that was legally erected according to the applicable laws or regulations of the time, but which does not meet current laws or regulations.
[13] 23 U.S.C. 131(b)
[14] A copy of the 1972 agreement is available at http://www.dot.state.fl.us/rightofway/Documents.shtm (Last visited November 26, 2013).

On Premise Signs/Lighting Restrictions/Rulemaking Authority
Section 479.16(1), F.S., currently allows, without the need for a permit, signs erected on the premises of an establishment that consists primarily of the name of the establishment or identify the principal or accessory merchandise, services, activities, or entertainment sold, produced, manufactured, or furnished on the premises of the establishment, provided the signs comply with the lighting restrictions "under department rule adopted pursuant to s. 479.11(5), F.S."

Section 479.11(5), F.S., prohibits on-premises signs that display "intermittent lights not embodied in the sign, or rotating or flashing light within 100 feet of the outside boundary of the right of way of any highway on the State Highway System, interstate highway system, or federal–aid primary highway system or which is illuminated in such a manner so as to cause glare or the impair the vision of motorists or otherwise distract motorists so as to interfere with the motorists' ability to safely operate the vehicle."

DOT currently has no adopted rule that addresses lighting restrictions for on-premise signs and relies on the quoted statute.

Other Permit Exemptions
Section 479.16, F.S., currently identifies a number of other signs for which permits are not required, including:

- Signs on property stating only the name of the owner, lessee, or occupant of the premises and not exceeding eight square feet in area;
- Signs that are not in excess of eight square feet that are owned by and relate to the facilities or activities of churches, civic organizations, fraternal organizations, charitable organizations, or units or agencies of government;
- Signs placed on benches, transit shelters, and waste receptacles; and
- Signs not in excess of 16 square feet placed at a road junction with the State Highway System denoting only the distance or direction of a residence or farm operation, or, in a rural area where a hardship is created because a small business is not visible from the road junction, one sign not in excess of 16 square feet, denoting only the name of, and the distance and direction to, the business.

The provision described in the last bullet above does not apply to charter counties and may not be implemented if the federal government notifies DOT that implementation will adversely affect the allocation of federal funds to DOT.

Tourist-Oriented Directional Sign Program
Section 479.262, F.S., establishes a tourist-oriented directional (TOD) sign program for intersections on rural and conventional state, county, or municipal roads. The program is intended to provide directions to rural tourist-oriented businesses, services, and activities in rural counties identified by criteria and population in s. 288.0656, F.S., when approved and permitted by county or local government entities.

The latter section of law defines a "rural area of critical economic concern" as a rural community, or a region composed of rural communities, designated by the Governor, that has been adversely affected by an extraordinary economic event, severe or chronic distress, or a natural disaster or that presents a unique economic development opportunity of regional impact.[15] "Rural community" is defined to mean a county with a population of 75,000 or fewer, and a county with a population of 125,000 or fewer that is contiguous to a county with a population of 75,000 or fewer.

[15] A list of rural areas of critical economic concern is available at: http://www.eflorida.com/FloridasFuture.aspx?id=2108 (Last visited November 25, 2013).

A county or local government that issues permits for a TOD sign program is responsible for sign construction, maintenance, and program operation for roads on the State Highway System and may establish permit fees sufficient to offset associated costs. TOD signs installed on the State Highway System must comply with the requirements of the Manual on Uniform Traffic Control Devices (MUTCD) and rules established by DOT.

TOD signs may be installed on the State Highway System only after being permitted by DOT and placement of TOD signs is limited to rural conventional roads, as required in the MUTCD. TOD signs may not be placed within the right-of-way of limited access facilities; within the right-of-way of a limited access facility interchange, regardless of jurisdiction or local road classification; on conventional roads in urban areas; or at interchanges on freeways or expressways.

Proposed Changes

The bill clarifies the already existing permit exemption of signs for rural business directional signs to make the provision applicable to signs located outside an incorporated area. The bill also repeals the language that provides that the rural small business sign permit exemption does not apply in charter counties.

The bill provides the following new exemptions with the caveat that they may not be implemented or continued if the Federal Government notifies DOT that the implementation or continuation will adversely affect the allocation of federal funds to DOT:

- Signs placed by a local tourist-oriented business located within a RACEC which signs meet the following criteria:
  - Not more than eight square feet in size or more than four feet in height;
  - Located only in rural areas on a facility that does not meet the definition of a limited access facility as defined by DOT rule;
  - Located within two miles of the business location and not less than 500 feet apart;
  - Located only in two directions leading to the business;
  - Not located within the road right-of-way.

  Businesses placing such signs must be a minimum of four miles from any other business utilizing this exemption and such business may not participate in any other DOT directional signage program.
- Signs not in excess of 32 square feet placed temporarily during harvest season of a farm operation for a period of no more than four months at a road junction with the State Highway System denoting only the distance or direction of the farm operation.
- Acknowledgement signs erected upon publicly-funded school premises relating to a specific public school club, team or event placed no closer than 1,000 feet from another acknowledgement sign on the same side of the roadway. All sponsors on an acknowledgement sign may constitute no more than 100 square feet of the sign.[16]
- Displays erected upon a sports facility that displays content directly related to the facility's activities or where a presence of the products or services offered on the property exists. Displays are to be mounted flush or flat to the surface of the sports facility and rely upon the building facade for structural support.[17]

The bill provides that if certain exemptions are not implemented or continued due to Federal Government notification that the allocation of federal funds to DOT will be adversely affected, DOT shall provide notice to the sign owner that the sign must be removed within 30 days. If the sign is not removed within 30 days, DOT is authorized to remove the sign and all costs associated with sign removal are to be assessed against and collected from the sign owner.

[16] The bill defines "acknowledgement sign" as signs that are intended to inform the traveling public that a public school club, team, or event has been sponsored by a person, firm, or entity.
[17] The bill defines, "sports facility" as an athletic complex, athletic arena, or athletic stadium, including physically connected parking facilities, which is open to the public and has a permanent installed seating capacity of 15,000 or more.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:
DOT may see some additional up-front revenues from agreements with investors willing to purchase the revenue stream from one or more existing DOT leases of wireless communication facilities. To the extent that such agreements are executed, there would be a reduction in future revenues to DOT from the lease payments purchased by the investors. The amount of these revenue impacts would be dependent of the terms of various agreements and cannot be determined at this time.

2. Expenditures:
DOT may incur some additional expenditures for paying for certain utility work on a DOT project on the State Highway System for municipally-owned and county-owned utilities in RACECs, but the bill does not require DOT's payment for such utility work. The fiscal impact of any such future expenditures, should the case arise, is indeterminate at this time.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:
Operators of public transportation systems may see additional revenues from the sale of abandoned property. However, the amount of revenue is indeterminate at this time.

The bill expands the tourist-oriented directional sign program beyond RACEC communities provided the locals adhere to certain eligibility requirements. Current statute permits local governments to establish permit fees for TOD signs sufficient to offset the associated costs of sign construction, maintenance, and program operations. To the extent additional communities participate in the TOD program, local governments could realize increased revenues from permit fees, but the amount of this revenue is indeterminate but positive.

The bill also expands the list of exemptions from permitting requirements for certain signs. The placement of any additional signs falling within this expanded list equates to a decrease in revenues a local government would otherwise have obtained from these permits. This provision will have a negative indeterminate impact.

2. Expenditures:
Municipally and county-owned utilities in RACECs may see a reduction in expenditures due to DOT paying for utility work in certain circumstances.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:
Citizens and visitors will benefit from recreational and alternative transportation opportunities resulting from a system of multi-use interconnected trails. Private sector jobs will be created during trail construction. Private businesses may realize increased business opportunities as trail gaps are closed and communities and cities are connected.

In the event DOT bears the cost of utility work for a municipally or county-owned utility removal or relocation and such actions avoid delays of a project on the State Highway System, a positive but indeterminate fiscal impact to business and private individuals may be realized.

Revisions to the requirements that utilities pay for relocation due to transportation projects, may have a positive, but indeterminate fiscal impact on utility companies.

The bill expands the list of exemptions from permitting requirements for certain signs. To the extent a sign owner had been paying for permits for these signs in the past, this change will have a positive impact on the private sector. Such signs are also required to be removed at the owner's expense should DOT find the sign must be removed due to federal notification. The net effect of these provisions on a sign owner is indeterminate.

Revisions of the TOD sign program eliminating the restriction of the program to signs at intersections in RACECs provides greater opportunity for business participation in the program. Participants will be subject to permit fees established by local governments.

D. FISCAL COMMENTS:

The bill expands the allowable uses of statewide transportation revenues, including the cost of planning, design and construction of multi-use trials prioritized as prioritized by the Florida Greenways and Trails Council.

A municipality within a rural area of critical economic concern or a rural area of critical economic concern community designated under s. 288.0656(7)(a), would be eligible to compete for funding using the existing Small County Outreach Program criteria at up to 100 percent of the project costs, excluding capacity projects. The funding for municipalities would be subject to an additional appropriation in excess of those appropriated for the Small County Outreach Program.

Failure of the state to maintain control of its outdoor advertising could result in a 10 percent reduction in federal highway funds, which correlates to approximately $160 million annually. To prevent noncompliance with federal law, however, the bill provides that the outdoor advertising exemptions may not be implemented or continued if the Federal Government notifies DOT that the implementation or continuation will adversely affect the allocation of federal funds to DOT. In such cases, DOT shall provide notice to the sign owner that the sign must be removed, and is further authorized to remove the sign and assess removal costs to the owner should it become necessary.