

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

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Prepared By: The Professional Staff of the Appropriations Committee on Transportation, Tourism, and Economic  
Development

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BILL: CS/CS/SB 1226

INTRODUCER: Appropriations Committee on Transportation, Tourism and Economic Development;  
Transportation Committee and Senator DiCeglie

SUBJECT: Department of Transportation

DATE: February 22, 2024      REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Johnson</u>	<u>Vickers</u>	<u>TR</u>	<u>Fav/CS</u>
2.	<u>Nortelus</u>	<u>Jerrett</u>	<u>ATD</u>	<u>Fav/CS</u>
3.	<u>                    </u>	<u>                    </u>	<u>FP</u>	<u>                    </u>

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**Please see Section IX. for Additional Information:**  
  
COMMITTEE SUBSTITUTE - Substantial Changes

**I. Summary:**

CS/CS/SB 1226 revises various provisions relating to the Florida Department of Transportation (FDOT). The bill:

- Updates the FDOT’s statutory program areas to reflect its current organizational structure.
- Repeals obsolete language regarding the appointment of the FDOT’s inspector general.
- Provides \$15 million in recurring revenue be made available for the Intermodal Logistics Center Infrastructure Support Program.
- Requires public notice and input prior to a governmental entity repurposing one or more existing traffic lanes.
- Increases from three years to ten years the length of time before an inactive prepaid toll account becomes unclaimed property.
- Prohibits FDOT from spending state funds on transportation entities violating certain statutory requirements.
- Provides that specified revenues deposited into the State Transportation Trust Fund must first be available for appropriation for payments under a service contract entered into with the Florida Department of Transportation Financing Corporation to fund arterial highway projects.
- Authorizes local governments in specified areas to, subject to specific appropriation, compete for additional funding using the criteria for the Small County Outreach Program to fund projects on roads primarily used for agricultural purposes.

- Provides that certain unallocated New Starts Transit funds must be reallocated to the Strategic Intermodal System for a two year period.
- Requires each public transit provider to annually certify that its budgeted and actual administrative costs are no greater than 20 percent above the state average administrative costs.
- Requires public transit providers to disclose employee compensation and benefits, ridership and performance metrics, and any gifts accepted in exchange for a contract.
- Prohibits public transit providers from spending the FDOT funds on certain marketing or advertising activities.
- Prohibits window tinting on public transit buses from being any darker than what is legally allowed for motor vehicles.
- Grants the Florida Rail Enterprise the power and duty to preserve future rail corridors and rights of way.

The bill may have both negative and positive fiscal impacts on private and governmental sectors. See Section V., Fiscal Impact Statement.

The bill takes effect July 1, 2024.

## **II. Present Situation:**

For ease of readability and organization, the present situation is discussed below with the effect of proposed changes.

## **III. Effect of Proposed Changes:**

### **FDOT Organizational Structure (Section 1)**

#### *Present Situation*

The Florida Department of Transportation (FDOT) is a decentralized agency headed by the Secretary of Transportation (secretary).<sup>1</sup> The secretary may appoint up to three assistant secretaries who are directly responsible to the secretary and who perform such duties as are assigned by the secretary.<sup>2</sup>

The FDOT's secretary may appoint deputy assistant secretaries or directors which the secretary deems necessary to accomplish the FDOT's mission and goals, including, but not limited to, the areas of program responsibility listed below, each of whom is appointed by and serves at the pleasure of the secretary. The secretary may combine, separate, or delete offices as needed in consultation with the Executive Office of the Governor. The FDOT's areas of program responsibility include, but are not limited to:

- Administration;
- Planning;
- Public transportation;
- Design;

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<sup>1</sup> Section 20.23(1)(a), F.S.

<sup>2</sup> Section 20.23(1)(d), F.S.

- Highway operations;
- Right-of-way;
- Toll operations;
- Information systems;
- Motor carrier weight inspection;
- Management and budget;
- Comptroller;
- Construction;
- Maintenance; and
- Materials.<sup>3</sup>

### ***Effect of Proposed Changes***

The bill revises the FDOT's areas of program responsibility by replacing:

- Public transportation with modal development; and
- Management and budget with work program development and budget.

The bill adds the following areas of program responsibility:

- Transportation technology;
- Statewide corridors;
- Forecasting and performance;
- Emergency management; and
- Safety.

### **Appointment of the Florida Department of Transportation's Inspector General (Section 1)**

#### ***Present Situation***

Florida law establishes an office of inspector general in each state agency, providing a central point of coordination of and responsibility for activities that promote accountability, integrity, and efficiency in government. Florida law provides various duties and responsibility regarding each state agency's inspector general.<sup>4</sup>

In 2014, the Legislature transferred the appointment and removal of a Governor's agency inspector general from the agency head to the Governor's Chief Inspector General.<sup>5</sup> For state agencies under the jurisdiction of the Cabinet or the Governor and Cabinet, the agency head appoints the agency's inspector general. For state agencies under the jurisdiction of the Governor, the Chief Inspector General appoints the agency's inspector general.<sup>6</sup> The FDOT is under the Governor's jurisdiction.<sup>7</sup>

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<sup>3</sup> Section 20.23(3)(b), F.S.

<sup>4</sup> Section 20.055, FS.

<sup>5</sup> Chapter 2014-144, Laws of Fla.

<sup>6</sup> Section 20.055(3)(a)1., F.S.

<sup>7</sup> See s. 20.23(1)(a), F.S.

Conflicting with the generally applicable requirements regarding the appointment of an inspector general, Florida law also requires the Secretary of Transportation to appoint the FDOT inspector general.<sup>8</sup>

### *Effect of Proposed Changes*

The bill repeals obsolete language regarding the Secretary of Transportation's authority to appoint the FDOT's inspector general.

## **Intermodal Logistics Center Infrastructure Support Program (Section 2)**

### *Present Situation*

An intermodal logistics center is a facility or group of facilities serving as a point of intermodal transfer of freight in a specific area physically separated from a seaport where activities relating to transport, logistics, goods distribution, consolidation, or value-added activities are carried out and whose activities and services are designed to support or be supported by conveyance or shipping through one or more seaports listed in s. 311.09, F.S.<sup>9</sup>

The FDOT's Intermodal Logistics Center Infrastructure Support Program's (program) purpose is to provide funds for roads, rail facilities, or other means for the conveyance or shipment of goods through a seaport, enabling the state to respond to private sector market demands and meet the state's economic development goal of becoming a hub for trade, logistics, and export-oriented activities. The FDOT may provide funds to assist with local government projects or projects performed by private entities that meet the public purpose of enhancing transportation facilities for the conveyance or shipment of goods through a seaport to or from an intermodal logistics center.<sup>10</sup>

The FDOT must consider, but is not limited to, the following criteria when evaluating projects for program assistance:

- The ability of the project to serve a strategic state interest.
- The ability of the project to facilitate the cost-effective and efficient movement of goods.
- The extent to which the project contributes to economic activity, including job creation, increased wages, and revenues.
- The extent to which the project efficiently interacts with and supports the transportation network.
- A commitment of a funding match.
- The amount of investment or commitments made by the owner or developer of the existing or proposed facility.
- The extent to which the owner has commitments with private sector businesses planning to locate operations at the intermodal logistics center.
- Demonstrated local financial support and commitment to the project.<sup>11</sup>

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<sup>8</sup> Section 20.23(3)(c), F.S.

<sup>9</sup> Section 311.101(2), F.S. The ports listed in s. 311.09(1), F.S., are Jacksonville, Port Canaveral, Port Citrus, Fort Pierce, Palm Beach, Port Everglades, Miami, Port Manatee, St. Petersburg, Putnam County, Tampa, Port St. Joe, Panama City, Pensacola, Key West, and Fernandina.

<sup>10</sup> Section 311.101(1), F.S.

<sup>11</sup> Section 311.101(3), F.S.

The FDOT must provide up to 50 percent of project costs for eligible projects, except that for eligible projects in rural areas of opportunity,<sup>12</sup> where the FDOT may provide up to 100 percent of project costs.<sup>13</sup>

When the program was created in 2012,<sup>14</sup> up to \$5 million per year was made available from the State Transportation Trust Fund (STTF) for the program.<sup>15</sup> This funding expired on July 1, 2020.<sup>16</sup>

### ***Effect of Proposed Changes***

The bill provides that, beginning in 2024-2025 fiscal year through the 2029-2030 fiscal year, \$15 million in recurring revenue must be made available from the STTF for the program. The FDOT must include projects proposed to be funded in its tentative work program.

### **Traffic Lane Repurposing (Section 3)**

#### ***Present Situation***

To balance the needs of the statewide transportation network and local roadways, the FDOT has developed a process allowing local and regional agencies to repurpose parts of FDOT-owned roadways in their jurisdiction for other purposes such as a dedicated transit lane or to make the area more pedestrian friendly. To do this, the relevant local government would develop a lane repurposing application and conceptual plan that would be sent to the appropriate the FDOT district's Lane Repurposing Coordinator for approval based on certain criteria.<sup>17</sup>

The FDOT's *Lane Repurposing Guidebook* provides information regarding lane repurposing, including the application process, concept report, public involvement and examples of such projects.

#### ***Effect of Proposed Changes***

The bill provides that whenever a governmental entity<sup>18</sup> proposes any project that will repurpose one or more existing traffic lanes, the governmental entity must include a traffic study to address any potential adverse impacts of the project, including, but not limited to, changes in traffic congestion and impacts on safety.

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<sup>12</sup> Rural Areas of Opportunity are designated in accordance with s. 288.0656(7)(a), F.S.

<sup>13</sup> Section 311.101(6), F.S.

<sup>14</sup> Chapters 2012-128 and 2012-174, Laws of Fla.

<sup>15</sup> FDOT's tentative work program is developed pursuant to s. 339.135(4), F.S.

<sup>16</sup> See Chapter 2014-216, Laws of Fla.

<sup>17</sup> FDOT, *Lane Repurposing Guidebook*, August 2020, Section 1.1,

[https://fdotwww.blob.core.windows.net/sitefinity/docs/default-source/planning/systems/systems-management/document-repository/lane-repurposing/lr\\_guidebook-2020.pdf?sfvrsn=b4](https://fdotwww.blob.core.windows.net/sitefinity/docs/default-source/planning/systems/systems-management/document-repository/lane-repurposing/lr_guidebook-2020.pdf?sfvrsn=b4) (last visited February 20, 2024).

<sup>18</sup> Section 334.044(11), F.S., defines the term "governmental entity" to mean a unit of government, or any officially designated public agency or authority of a unit of government, that has the responsibility for planning, construction, operation, or maintenance or jurisdiction over transportation facilities; the term includes the Federal Government, the state government, a county, an incorporated municipality, a metropolitan planning organization, an expressway or transportation authority, a road and bridge district, a special road and bridge district, and a regional governmental unit.

If, following the required study, the governmental entity elects to continue with the design of the project, it must notify all affected property owners, impacted municipalities, and the counties in which the project is located at least 180 days before the design phase of the project is completed. The notice must provide a written explanation regarding the need for the project, information on how to review the required traffic study, and indicate that all affected parties will be given an opportunity to provide comments to the proposing entity regarding potential impacts of the change.

The governmental entity must hold at least one public meeting, with at least 30 days prior notice, before completing the design phase of the project in the jurisdiction where the project is located. At the public meeting, the governmental entity must explain the purpose of the project and receive public input, including possible alternatives, to determine the manner in which the project will affect the community.

The governmental entity must review all comments from the public meeting and take the comments and any alternatives presented during the meeting into consideration in the final design of the project.

#### **Inactive Prepaid Toll Accounts (Section 4)**

##### ***Present Situation***

The FDOT, through the Florida Turnpike Enterprise, operates its electronic prepaid toll program (SunPass), which may be used on most of Florida's toll facilities and is operable on toll facilities in some other states.<sup>19</sup>

Under the Florida Disposition of Unclaimed Property Act,<sup>20</sup> except as otherwise provided in that act, all intangible property that is held, issued, or owing in the ordinary course of the holder's business and the owner fails to claim such property for more than five years after the property becomes payable or distributable is presumed unclaimed.<sup>21</sup> Unclaimed property is reported to the Division of Unclaimed Property in the Department of Financial Services (DFS).<sup>22</sup>

Unclaimed property funds are deposited into the Unclaimed Property Trust Fund. The DFS retains funds to make prompt payment of claims and to pay the cost of administering the program. All remaining funds are deposited into the State School Fund.<sup>23</sup>

Florida law presumes that any prepaid toll account, which has been inactive for three years, is unclaimed property. After three years, the DFS must handle the account's disposition in accordance with the Florida's Disposition of Unclaimed Property Act and the FDOT must close the prepaid toll account.<sup>24</sup>

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<sup>19</sup> SunPass, *Frequently Asked Questions*, <https://www.sunpass.com/en/support/faq.shtml> (last visited February 12, 2024).

<sup>20</sup> Chapter 717, F.S.

<sup>21</sup> Section 717.102, F.S.

<sup>22</sup> Florida Department of Financial Services, Division of Unclaimed Property, *Why Should I Search for Unclaimed Property*, <https://www.fltreasurehunt.gov/UP-Web/sitePages/About.jsp> (last visited February 12, 2024).

<sup>23</sup> Section 717.123(1), F.S.

<sup>24</sup> Section 338.231(3)(c), F.S.

### *Effect of Proposed Changes*

The bill increases from three years to ten years the length of time that a prepaid toll account must be inactive prior to it becoming unclaimed property. At the end of ten years, the inactive toll account becomes subject to the Florida Disposition of Unclaimed Property Act.

### **Expenditure of State Funds (Section 5)**

#### *Present Situation*

##### *State Transportation Trust Fund*

Florida law establishes the State Transportation Trust Fund (STTF), which is used for transportation purposes, at the FDOT's direction.<sup>25</sup> Such transportation purposes include maintaining and developing the state highway system and supporting various transportation related projects.<sup>26</sup> STTF's primary revenue sources are from state fuel taxes and fees related to motor vehicle licensing.<sup>27</sup> The FDOT must expend moneys in the STTF in accordance with its annual budget.<sup>28</sup>

##### *Prohibition on Discrimination based on Health Care Choices*

Section 381.00316, F.S., prohibits private businesses, government entities and educational institutions from requiring people to provide documentation certifying COVID-19 vaccination or post-infection recovery or wear a face mask, face shield, or other facial covering to access the business, governmental operations or school attendance or enrollment, or to access the institution and its services.

### *Effect of Proposed Changes*

The bill provides that the FDOT may not expend any state funds to support a project or program of a public transit provider,<sup>29</sup> authority,<sup>30</sup> public-use airport,<sup>31</sup> or a port<sup>32</sup> that violates s. 381.00316, F.S.

The bill provides that the FDOT must withhold state funds until a public transit provider, authority, public-use airport, or port are found to be in compliance with s. 381.00316, F.S.

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<sup>25</sup> Section 206.46(1), F.S.

<sup>26</sup> FDOT, Office of Work Program and Budget, *Florida's Transportation Tax Sources*, (2023), p. 2, <https://fdotewp1.dot.state.fl.us/FMSupportApps/Documents/pr/Primer.pdf#:~:text=STTF%E2%80%99s%20primary%20revenue%20sources%20from%20state%20taxes%20and,fuel%20taxes%20and%20motor%20vehicle%20license%20related%20fees.> (last visited February 20, 2024).

<sup>27</sup> *Id.*

<sup>28</sup> Section 339.08(1), F.S.

<sup>29</sup> Section 341.031(1), F.S., defines the term "public transit provider" to mean a public agency providing public transit service, including rail authorities.

<sup>30</sup> Authorities created under chapters 348, 348 and 349, F.S., include the South Florida Regional Transportation Authority, Central Florida Regional Transportation Authority, Greater Miami Expressway Agency, Tampa-Hillsborough County Expressway Authority, Central Florida Expressway Authority, and Jacksonville Transportation Authority.

<sup>31</sup> Section 332.004(14), F.S., defines the term "public-use airport" to mean any publicly owned airport which is used or to be used for public purposes.

<sup>32</sup> Section 311.09(1), F.S., enumerates the following ports: Jacksonville, Port Canaveral, Port Citrus, Fort Pierce, Palm Beach, Port Everglades, Miami, Port Manatee, St. Petersburg, Putnam County, Tampa, Port St. Joe, Panama City, Pensacola, Key West, and Fernandina.

## **Use of Moneys in the State Transportation Trust Fund (Sections 6 and 7)**

### ***Present Situation***

Under Florida law, after the revenue derived from the registration of motor vehicles is distributed as specified and allocated as provided by law, then the remainder of such revenues are deposited into the STTF.<sup>33</sup> This amount deposited to the STTF must be used to fund arterial highway<sup>34</sup> projects identified by the FDOT and may be used for projects for upgrading arterial highways with controlled access facilities<sup>35</sup> and constructing controlled access facilities on U.S. 19, north of the Suncoast Parkway.<sup>36 37</sup>

### ***Florida Department of Transportation Financing Corporation and Service Contract***

The Florida Department of Transportation Financing Corporation (corporation) is as a nonprofit corporation established for the purpose of financing or refinancing the FDOT projects.<sup>38</sup>

The corporation may enter into one or more service contracts with the FDOT to provide services to the FDOT in connection with projects approved in the work program. The FDOT may enter into one or more such service contracts with the corporation and provide for payments under such contracts, subject to annual appropriation by the Legislature.<sup>39</sup> The FDOT may enter into a service contract in conjunction with the issuance of debt obligations which provide for periodic payments for debt service or other amounts payable with respect to debt obligations, plus any administrative expenses of corporation.<sup>40</sup>

### ***Effect of Proposed Changes***

The bill provides that the remainder of the motor vehicle fee revenues deposited into the STTF, must first be available for appropriation for payments under a service contract entered into with the corporation to fund arterial highway projects. For the corporation's bonding purposes, two or more of such projects in the FDOT's approved work program may be treated as a single project.

The bill provides that funds appropriated for payment under a service contract are available after funds pledge for payment on bonds, but before other statutorily required distributions.

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<sup>33</sup> Section 320.20(5)(a), F.S.

<sup>34</sup> Section 334.03(1), F.S., defines the term "arterial road" to mean a route providing service which is relatively continuous and of relatively high traffic volume, long average trip length, high operating speed, and high mobility importance. In addition, every United States numbered highway is an arterial road.

<sup>35</sup> See s. 339.66, F.S.

<sup>36</sup> See s. 339.67, F.S.

<sup>37</sup> Section 339.0803, F.S.

<sup>38</sup> Section 339.0809, F.S.

<sup>39</sup> Section 339.0809(4), F.S.

<sup>40</sup> Section 339.0809(13), F.S.



## Small County Outreach Program (Section 8)

### *Present Situation*

Section 339.2818, F.S., creates the Small County Outreach Program (SCOP) within the FDOT. SCOP's purpose of is to assist small county governments in repairing or rehabilitating county bridges, paving unpaved roads, addressing road-related drainage improvements, resurfacing or reconstructing county roads, or constructing capacity or safety improvements to county roads.<sup>41</sup>

For the purposes of the SCOP, the term “small county” means any county that has a population of 200,000 or less as determined by the most recent official estimate pursuant to s. 186.901, F.S.<sup>42</sup> Currently, 39 counties are eligible for the SCOP funding.<sup>43</sup>

Small counties are eligible to compete for the SCOP funds for projects on county roads. The FDOT must fund 75 percent of the cost of projects on county roads funded under the SCOP.<sup>44</sup>

The following criteria are used to prioritize road projects for the SCOP funding:

- The primary criterion is the physical condition of the road.
- As secondary criteria the FDOT may include:
  - Whether a road is used as an evacuation route;
  - Whether a road has high levels of agricultural travel;
  - Whether a road is considered a major arterial route;
  - Whether a road is considered a feeder road;
  - Information as evidenced to the FDOT through an established pavement management plan; and
  - Other criteria related to the impact of a project on the public road system or on the state or local economy.<sup>45</sup>

The FDOT is authorized to administer contracts on behalf of a county selected to receive funding for a project. All funded projects must be included in the FDOT's work program.<sup>46</sup>

### *Everglades Agricultural Area*

The Everglades Agricultural Area is an approximately 1,160 square-mile area of highly productive agricultural land located south of Lake Okeechobee.<sup>47</sup> While most of the Everglades Agricultural Area is in Palm Beach County, this area extends to Martin, Hendry, and Glades counties.<sup>48</sup>

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<sup>41</sup> Section 339.2818(1), F.S.

<sup>42</sup> Section 339.2818(2), F.S.

<sup>43</sup> FDOT, *Small County Outreach Program*, <https://www.fdot.gov/programmanagement/lp/scop/default.shtm> (Last visited February 12, 2024).

<sup>44</sup> Section 339.2818(4)(a), F.S.

<sup>45</sup> Section 339.175(4)(c), F.S.

<sup>46</sup> Section 339.175(5), F.S.

<sup>47</sup> Lake Okeechobee Business Alliance, *The Everglades Agricultural Area*, <https://www.lakeoalliance.org/everglades-agricultural-area>, (last visited February 12, 2024). The Everglades Agricultural Area is defined in s. 373.4592(15), F.S.

<sup>48</sup> University of Florida, IFAS Extension, *Explore the Everglades Agricultural Area*, <https://nwdistrict.ifas.ufl.edu/ampic2022/2022/07/20/explore-the-everglades-agricultural-area/> (last visited February 12, 2024).

### *Peace River Basin*

The Peace River Basin encompasses more than 2,300 square miles. Its western boundary includes portions of Hillsborough, Manatee and Sarasota counties and portions of Highlands and Glades counties on the east. The basin includes major portions of Polk, Hardee, DeSoto and Charlotte counties.<sup>49</sup>

### *Suwannee River Basin*

The Suwannee River Basin, drains over 11,000 square miles of land in Georgia and Florida.<sup>50</sup> Florida's portion of basin includes all or a portion of Madison, Suwannee, Columbia, Union, Alachua, Gilchrist, Levy, Dixie, and Lafayette counties.<sup>51</sup>

### *Effect of Proposed Changes*

The bill provides that subject to specific appropriation, in addition to funds appropriated for the SCOP, a local government located either wholly or partially within the Everglades Agricultural Area, the Peace River Basin, or the Suwannee River Basin may compete for additional funding using the SCOP criteria, at up to 100 percent of the project costs for state or county roads used primarily as farm-to-market connections between rural agricultural areas and market distribution centers, excluding capacity improvement projects.

## **New Starts Transit Program - Reallocation of Funds (Section 9)**

### *Present Situation*

#### *New Starts Transit Program*

The FDOT's New Starts Transit Program assists local governments in the development of fixed guideway and bus rapid transit projects. Ten percent of the FDOT's portion of the documentary stamp tax is allocated to New Starts,<sup>52</sup> along with 3.4 percent of the initial registration fee for motor vehicles.<sup>53</sup>

This program is a matching program to leverage local or federal funds.<sup>54</sup> However, according to the FDOT, due to local governments' inability at times to meet state and federal eligibility requirements or provide a funding commitment for the required matching funds, projects identified for the New Starts Transit Program may not always be programmed into the work program, which results in the annually appropriated funds not being obligated and carried forward to the next fiscal year.

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<sup>49</sup> Southwest Florida Water Management District, *Peace River Watershed Excursion*, <https://www.swfwmd.state.fl.us/watersheds/peace-river/where-the-river-begins> (last visited February 12, 2024).

<sup>50</sup> University of Georgia, River Basin Center, *Suwannee*, <https://rivercenter.uga.edu/resources/river-basins-of-georgia/suwannee/#:~:text=Location%3A%20Suwannee%20River%2C%20Big%20Shoals,land%20in%20Georgia%20and%20Florida>. (last visited February 12, 2024).

<sup>51</sup> Springs of the Lower Suwannee River Basin, 1999, <https://fcit.usf.edu/florida/maps/pages/9000/f9072/f9072.htm> (last visited February 12, 2024).

<sup>52</sup> Section 201.15(4)(a)1., F.S.

<sup>53</sup> Section 320.072(4)(b), F.S.

<sup>54</sup> Florida Transportation Commission, *New Starts Transit Program*, [http://www.ftc.state.fl.us/documents/Presentations/New\\_Starts\\_Transit\\_Program\\_\(5-23-06\).pdf](http://www.ftc.state.fl.us/documents/Presentations/New_Starts_Transit_Program_(5-23-06).pdf) (last visited Feb. 7, 2024).

### *Strategic Intermodal System*

The Strategic Intermodal System (SIS) is Florida’s high priority network of transportation facilities important to its economy and mobility. Established in 2003, to focus Florida's limited transportation resources on the facilities most significant for interregional, interstate, and international travel. The SIS is the state's highest priority for transportation capacity investments and a primary focus for implementing the Florida Transportation Plan.<sup>55</sup>

### *Effect of Proposed Changes*

The bill provides that the unallocated New Starts Transit Program funds remaining after July, 1, 2024, must be reallocated for the purpose of the SIS within the STTF. This provision expires June 30, 2026.

## **Public Transit Performance and Productivity Measures (Section 10)**

### *Present Situation*

A public transit provider is statutorily defined as a public agency providing public transit service, including rail authorities.<sup>56</sup> The term “public transit” is defined to mean the transporting of people by conveyances, or systems of conveyances, traveling on land or water, local or regional in nature, and available for use by the public. Public transit systems may be either governmentally owned or privately owned. Public transit specifically includes those forms of transportation commonly known as “paratransit.”<sup>57</sup> Each public transit provider must establish productivity and performance measures, which must be approved by the FDOT and which must be selected from measures developed pursuant to s. 341.041(3), F.S.<sup>58 59</sup>

### *Effect of Proposed Changes*

The bill defines the term “administrative costs” to include, but are not limited to salaried employee’s compensation and benefits, small business outreach, professional service contracts not directly related to the operation and maintenance of a transit system, and other overhead expenses. The term does not include insurance costs.

The bill defines the term “public transit provider” to mean a public agency providing public transit service including the Central Florida Regional Transportation Authority, and the

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<sup>55</sup> FDOT, *Florida’s Strategic Intermodal System*, <https://www.fdot.gov/planning/systems/sis> (last visited February 20, 2024)

<sup>56</sup> Section 341.031(3), F.S.

<sup>57</sup> Section 341.031(6), F.S. Section 341.031(5), F.S., defines the term “paratransit” to mean those elements of public transit which provide service between specific origins and destinations selected by the individual user with such service being provided at a time that is agreed upon by the user and the provider of the service. Paratransit service is provided by taxis, limousines, “dial-a-ride” buses, and other demand-responsive operations that are characterized by their nonscheduled, nonfixed route nature.

<sup>58</sup> S. 341.071(2), F.S.

<sup>59</sup> S. 341.041(3), F.S., provides that FDOT must develop, publish, and administer state measures concerning system management, performance, productivity, cost distribution, and safety of governmentally owned public transit systems and privately owned or operated systems financed wholly or in part by state funding. Such measures must be developed jointly with representatives of affected publicly owned transit systems and in coordination with affected privately owned systems, with full consideration given to nationwide industry norms.

Jacksonville Transportation Authority. The bill exempts rail transit such as the Central Florida Regional Transportation Authority and the Central Florida Commuter Rail Commission.

Tier I provider means a recipient that owns, operates, or manages either 101 or more vehicles in revenue service during peak regular service across all fixed route modes or in any one non-fixed route mode, or rail transit.<sup>60</sup>

Tier II provider means a recipient that owns, operates, or manages 100 or fewer vehicles in revenue service during peak regular service across all non-rail fixed route modes or in any one non-fixed route mode, a subrecipient under the 5311 Rural Area Formula Program, or any American Indian tribe.<sup>61</sup>

Beginning November 1, 2024, and annually thereafter, each public transit provider must, during a publicly-noticed meeting, certify that its budgeted and actual administrative costs are not greater than 20 percent above the annual state average of administrative costs for its tier. The provider shall also disclose all employees' compensation and benefits, ridership performance and metrics, and any gifts accepted in exchange for contracts. This information must be posted on the provider's website.

To support compliance, the bill requires the FDOT to determine the state average of administrative costs by calculating the annual administrative costs for all the public transit providers in this state annually by March 1 to inform the provider's following fiscal year budget.

## **Public Transit Marketing and Advertising Standards (Section 11)**

### ***Present Situation***

Under Florida law, each fiscal year, a minimum of 15 percent of all state revenues deposited into the STTF are committed annually by the FDOT for public transportation projects, including public transit projects.<sup>62</sup>

### ***Effect of Proposed Changes***

The bill provides that as a condition of receiving funds from the FDOT, a public transit provider may not expend the FDOT's funds for marketing or advertising activities, including any wrap, tinting, or paint on a bus, commercial motor vehicle, or motor vehicle. This condition does not apply to when a public transit provider displays a brand or logo of the public transit provider, the official seal of the jurisdictional government entity, or state agency public service announcement.

The FDOT must incorporate the above marketing and advertising guidelines in the public transit grant agreement entered with each public transit provider.

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<sup>60</sup> This is as defined in 49 C.F.R. part 625.

<sup>61</sup> *Id.*

<sup>62</sup> Section 206.46(3), F.S. The funding minimum is for public transportation projects that are in accordance with ch. 311, ss. 332.003-332.007, ch. 341, and ch. 343 of F.S.

## **Public Transit Window Tinting (Section 11)**

### ***Present Situation***

Section 316.2954, F.S., provides that a person may not operate any motor vehicle with any sun screening material, or other product or material which has the effect of making the window nontransparent or which would alter the window's color, increase its reflectivity, or reduce its light transmittance. Specific requirements are provided in that statute.

### ***Effect of Proposed Changes***

The bill provides that any new wrap, tinting, paint, medium, or advertisement on the passenger windows of a vehicle used by a public transit provider may not be darker than the legally allowed window tinting requirements for motor vehicles.

## **Florida Rail Enterprise (Section 12)**

### ***Present Situation***

Sections 341.8201 through 341.842, F.S., contain the Florida Rail Enterprise Act.<sup>63</sup> The Florida Rail Enterprise (enterprise) within the FDOT must locate, plan, design, finance, construct, maintain, own, operate, administer, and manage Florida's high-speed rail system.<sup>64 65</sup>

In addition to the powers granted to the FDOT, the enterprise has full authority to exercise all powers granted to it under ch. 341, F.S. Authorized powers include, but are not limited to, the ability to plan, construct, maintain, repair, and operate a high-speed rail system, to acquire corridors, and to coordinate the development and operation of publicly funded passenger rail systems in the state.<sup>66</sup>

### ***Effect of Proposed Changes***

The bill adds to the enterprise's powers and duties by giving it the authority to preserve future rail corridors<sup>67</sup> and rights of way in coordination with the FDOT's planning of the State Highway System.

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<sup>63</sup> Section 341.8201, F.S.

<sup>64</sup> Section 341.822(1), F.S.

<sup>65</sup> Section 341.8203(4), F.S., defines the term "high-speed rail system" to mean any high-speed fixed guideway system for transporting people or goods, which system is, by definition of the United States Department of Transportation, reasonably expected to reach speeds of at least 110 miles per hour, including, but not limited to, a monorail system, dual track rail system, suspended rail system, magnetic levitation system, pneumatic repulsion system, or other system approved by the enterprise. The term includes a corridor, associated intermodal connectors, and structures essential to the operation of the line, including the land, structures, improvements, rights-of-way, easements, rail lines, rail beds, guideway structures, switches, yards, parking facilities, power relays, switching houses, and rail stations and also includes facilities or equipment used exclusively for the purposes of design, construction, operation, maintenance, or the financing of the high-speed rail system.

<sup>66</sup> Section 341.822(2)(a), F.S.

<sup>67</sup> Section 341.301(8), F.S., defines the term "rail corridor" to mean a linear contiguous strip of real property that is used for rail service. The term includes the corridor and structures essential to railroad operations, including the land, structures, improvements, rights-of-way, easements, rail lines, rail beds, guideway structures, switches, yards, parking facilities, power relays, switching houses, rail stations, any ancillary development, and any other facilities or equipment used for the purposes of construction, operation, or maintenance of a railroad that provides rail service.

**Effective Date (Section 13)**

The bill takes effect July 1, 2024.

**IV. Constitutional Issues:****A. Municipality/County Mandates Restrictions:**

None.

**B. Public Records/Open Meetings Issues:**

None.

**C. Trust Funds Restrictions:**

None.

**D. State Tax or Fee Increases:**

None.

**E. Other Constitutional Issues:**

None.

**V. Fiscal Impact Statement:****A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

The bill provides for \$15 million in recurring funds from the STTF to be made available annually for the Intermodal Logistics Center Infrastructure Support Program. This will result in a positive fiscal impact to intermodal logistics centers and related businesses.

**C. Government Sector Impact:**

The bill may have a positive fiscal impact on the Florida Department of Transportation Financing Corporation as it provides that specified revenues deposited into the STTF must first be available for appropriation for payments under a service contract entered into with the corporation to fund arterial highway projects. This provision may also reduce bond financing costs.

Subject to specific appropriation, the bill authorizes local governments in specified areas to seek financial assistance in paying for projects on state and county roads primarily used for agricultural purposes.

The bill may have a negative fiscal impact on any public transit provider, authority, public-use airport, or a port that is found to be in violation of s. 381.00316, F.S.

Public transit providers may experience changes in their cost structures associated with complying with provisions in the bill limiting their administrative costs and certifying that their administrative costs are within the limits provided for in the bill.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 20.23, 311.101, 338.231, 339.08, 339.0803, 339.0809, 339.2818, 341.071 and 341.822.

The bill creates the following sections of the Florida Statutes: 334.61 and 341.072.

**IX. Additional Information:**

- A. **Committee Substitute – Statement of Substantial Changes:**  
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

**CS by Appropriations Committee on Transportation, Tourism, and Economic Development on February 20, 2024:**

The committee substitute:

- Removes a landscaping expenditure provision from the bill.
- Updates the FDOT’s statutory program areas to reflect its current organizational structure.
- Requires public notice and input prior to a governmental entity repurposing one or more existing traffic lanes.
- Prohibits the FDOT from spending state funds on transportation entities violating certain statutory requirements.
- Reallocates specified New Starts Transit funds to the SIS for a two year period.
- Revises provisions to relating to public transit provider administrative costs to compare providers by fleet size and to exempt rail transit providers.
- Prohibits public transit providers from spending the FDOT funds on certain marketing or advertising activities.
- Prohibits window tinting on public transit buses from being any darker than what is legally allowed for motor vehicles.

**CS by Transportation on February 6, 2023:**

The committee substitute:

- Requires, beginning in the 2024-2025 fiscal year, \$15 million in recurring revenue from the STTF must be made available for the Intermodal Logistics Center Infrastructure Support Program.
- Provides that specified funds deposited into the State Transportation Trust Fund must first be used for the payment of service contracts with the Florida Department of Transportation Financing Corporation.
- Provides that, subject to appropriation, a local government within specified areas may compete for additional funding using the Small County Outreach Program criteria for state or county roads used primarily for agricultural purposes.
- Revises provisions in the bill regarding the administrative costs of public transit providers to limit administrative costs to 20 percent above the statewide average.
- Requires public transit providers to disclose employee compensation, ridership performance and metrics, and any gifts accepted in exchange for contracts.
- Clarifies the rail corridor provision by providing that the Florida Rail Enterprise is authorized to preserve future rail corridors and rights of way.

**B. Amendments:**

None.