

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.)

Prepared By: The Professional Staff of the Committee on Transportation

BILL: CS/CS/SB 462

INTRODUCER: Regulated Industries Committee, Transportation Committee, and Senator DiCeglie

SUBJECT: Transportation

DATE: April 3, 2025

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Johnson</u>	<u>Vickers</u>	<u>TR</u>	<u>Fav/CS</u>
2.	<u>Schrader</u>	<u>Imhof</u>	<u>RI</u>	<u>Fav/CS</u>
3.	_____	_____	<u>FP</u>	_____

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/CS/SB 462 addresses various provisions relating to transportation. The bill:

- Distributes \$4.167 million monthly in sales tax revenues to the State Transportation Trust Fund to account for the impact of electric and hybrid vehicles.
- Requires each county to annually submit specified transportation project data to the Florida Department of Transportation (FDOT).
- Increases maximum allowable speed limits on certain highways by five miles per hour.
- Authorizes public use airports to participate in the federal Airport Investment Partnership Program and make such airports eligible for certain state funds.
- Authorizes the FDOT to use eminent domain to preserve a corridor for future proposed improvements.
- Authorizes FDOT to provide workforce development grants to state colleges and school districts to fund elective courses in heavy civil construction.
- Requires certain studies regarding capacity improvements on limited access facilities to evaluate the use of elevated roadways.
- Requires certain project development and environmental studies to be completed within 18 months.
- Specifies that contractors who enter into construction and maintenance contracts with FDOT are providing a service to FDOT.
- Provides requirements for FDOT to obtain best and final officers from bidders, and for rebidding certain contracts.

- Revises provisions related to phased design-build contracts.
- Provides additional insurance requirements for bridge-related contracts over navigable waters.
- Prohibits FDOT, through the settlement of a bid protest, from creating a new contract unless the new contract is competitively procured.
- Authorizes FDOT to waive prequalification for certain contracts of \$1 million or less.
- Requires contractors seeking to bid on certain FDOT maintenance contracts to possess the qualifications and equipment needed to perform such work.
- Increases threshold amounts for contract disputes resolved by the State Arbitration Board.
- Revises provisions regarding metropolitan planning organizations, including requiring the exchange of best practices, and accountability and transparency requirements.
- Repeals the Metropolitan Planning Organization Advisory Council.
- Revises the qualification requirements for two of the members of the governing body of the nine-member Greater Miami Expressway Agency.
- Requires FDOT to develop and submit a report regarding the widening of Interstate 4.

The bill has a potential fiscal impact on state and local governmental entities. *See* section V, “Fiscal Impact Statement” for details.

The bill takes effect July 1, 2025.

II. Present Situation:

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

III. Effect of Proposed Changes:

Distribution of Sales Tax Revenues (Section 1)

Present Situation

Florida levies a six percent tax on the retail sale of most tangible personal property, admissions, transient lodgings and motor vehicles.¹ However, the sales tax rate for non-residential electric services is 4.35 percent.² The Department of Revenue (DOR) distributes state sales tax proceeds to various state trust funds and local governments, with any remaining sales tax proceeds distributed to the General Revenue Fund.³

Effect of Proposed Changes

The bill provides that, to account for the impact of electric and hybrid vehicles on the State Highway System and the use of taxes collected from motorists when charging such vehicles, beginning July 2025, and reassessed every 5 fiscal years, the DOR must distribute \$4.167 million

¹ Office of Economic and Demographic Research, *2024 Florida Tax Handbook*, p. 166.
<https://edr.state.fl.us/content/revenues/reports/tax-handbook/taxhandbook2024.pdf> (last visited Mar. 28, 2025).

² *Id.* at 171. Section 212.05(1)(e).1.c., F.S.

³ *Id.* at 173. Section 212.20(6), F.S.

monthly to the State Transportation Trust Fund (STTF). This distribution must take place on or before the 25th day of each month.

County Transportation Project Data (Section 2)

Present Situation

Annually, each county and municipality must provide FDOT with uniform program data. Uniform program data must include, but is not limited to, details on transportation receipts and expenditures, and on the number of miles of road under the local governmental entity's jurisdiction. FDOT must compile this data and, upon request, furnish its compilation to any interested person.⁴

Effect of Proposed Changes

The bill requires each county to annually provide FDOT with uniform project data. Such data must conform to the county's fiscal year and include details on transportation revenues by source of taxes or fees, expenditure of such revenues for projects that were funded, and any unexpended balance for the fiscal year. The data must also include project details, including the project cost, location, and scope. The scope of the project must be categorized broadly using a category, such as widening, repair and rehabilitation, or sidewalks. The data must specify which projects the revenues not dedicated to specific projects are supporting. FDOT must inform each county of the method and format for submitting its data. FDOT must compile this data and publish its compilation on its website.

Speed Limits (Sections 3 and 4)

Present Situation

Florida law prohibits a person from driving a vehicle on a highway at a speed greater than what is reasonable and prudent under current conditions and with regard to actual and potential hazard.⁵

Florida law also establishes minimum speed limits. On all highways on the National System of Interstate and Defense and have four or more lanes, the minimum speed is 40 miles per hour, except that when the posted speed limit is 70 miles per hour, then the minimum speed is 50 miles per hour.⁶ Florida law establishes the following maximum allowable speed limits:

- On limited access highways - 70 miles per hour.⁷
- On divided highways outside an urban area of 5,000 or more persons, with at least four lanes - 65 miles per hour.⁸
- On other FDOT roadways - as FDOT deems safe and advisable, but not to exceed 60 miles per hour.⁹

⁴ Section 218.322, F.S.

⁵ Section 316.183(1), F.S.

⁶ Section 316.183(2), F.S.

⁷ Section 316.187(2)(a), F.S.

⁸ Section 316.187(2)(b), F.S.

⁹ Section 316.187(2)(c), F.S.

Speeding violations are noncriminal traffic infractions, punishable as moving violations.¹⁰ The statutory fines, based on the miles per hour above the speed limit are as follows:

- 1-5 mph - Warning
- 6-9 mph - \$25
- 10-14 mph - \$100
- 15-19 mph - \$150
- 20-29 mph - \$175
- 30 mph and above - \$250¹¹

Effect of Proposed Changes

The bill requires FDOT to determine the safe and advisable minimum speed on all highways on the National System of Interstate and Defense Highways that have at least four lanes.

The bill increases maximum allowable speed limits as follows:

- For limited-access highways, from 70 to 75 miles per hour.
- For other highways outside an urban area that have at least four lanes and are a divided highway, from 65 to 70 miles per hour.
- For other roadways under FDOT's jurisdiction, from 60 to 65 miles per hour.

Florida Airport Development and Assistance Act (Sections 6-8)

Present Situation

The federal Airport Investment Partnership Program,¹² authorizes private companies to own, manage, lease, and develop public airports. Public airport sponsors and private operators may jointly manage an airport. The airport owner or leaseholder may be exempt from repayment of federal grants, return of property acquired with federal assistance, and the use of proceeds from the airport's sale or lease to be used exclusively for airport purposes.¹³

For purposes of the Florida Airport Development and Assistance Act,¹⁴ the term “public-use airport” means any publicly owned airport which is used or to be used for public purposes.¹⁵

The term “eligible agency” means a political subdivision of the state or an authority which owns or seeks to develop a public-use airport.¹⁶

The Florida Airport Development and Assistance Act provides FDOT with certain statutory duties regarding aviation development and assistance. These duties include providing financial

¹⁰ Sections 316.183(7) and 316.187(3), F.S. Penalties are as provided in ch. 318, F.S.

¹¹ Section 318.18(3)(b), F.S. In addition to these penalties, Florida law imposes or authorizes additional fees and surcharges.

¹² 49 U.S.C. s. 47134, the program was previously known as the Airport Privatization Pilot Program.

¹³ Federal Aviation Administration, *Airport Investment Partnership Program, formerly Airport Privatization Pilot Program*, https://www.faa.gov/airports/airport_compliance/privatization (last visit March 28, 2025).

¹⁴ Sections 332.003-332.007, F.S.

¹⁵ Section 332.004(14), F.S.

¹⁶ Section 332.004(7), F.S.

and technical assistance to airports,¹⁷ and encouraging the maximum allocation of federal funds to local airport projects.¹⁸

FDOT's annual legislative budget request for aviation and airport development projects is based on the funding required for development projects in its aviation and airport work program. FDOT must prioritize funding to support the planning, design, and construction of proposed projects by local sponsors, with special emphasis on projects for runways and taxiways, including the painting and marking of runways and taxiways, lighting, other related airside activities, and airport access transportation facility projects on airport property.¹⁹

Section 332.007, F.S., authorizes FDOT to fund certain aviation and airport-related projects. The statute provides requirements and limits on airport funding from the STTF. Requirements can be based on the airport type, availability of federal funds, project type, and size of the airport.

Section 255.065, F.S., authorizes local jurisdictions, including counties, municipalities, and special districts to enter into public-private partnerships for qualifying projects, which include airport facilities, for a public purpose. That statute provides legislative findings and intent, requirements for project approval, a project qualification process, the requirements for agreements related to the partnership, powers and duties of the private entity, and other related provisions.

Effect of Proposed Changes

The bill amends the Florida Airport Development and Assistance Act to change various references to airports to public-use airports.

The bill amends the definition of the term "eligible agency" to include a public-private partnership through a lease or agreement under s. 255.065, F.S., with a political subdivision of the state or an authority, which owns or seeks to develop a public-use airport.

The bill authorizes a municipality, county, or authority that owns a public-use airport to participate in the FAA's Airport Investment Partnership Program by contracting with a private partner to operate the airport under lease or agreement. Subject to the availability of appropriated funds from aviation fuel tax revenues, FDOT may provide for improvements to a municipality, county, or authority that has a private partner under the federal Airport Investment Partnership Program for capital costs of a discretionary improvement project at a public-use airport.

FDOT - Eminent Domain Authority (Section 9)

Present Situation

Eminent domain refers to the government's power to take private property and convert it into public use. The Fifth Amendment of the United States Constitution provides that the government

¹⁷ Section 332.006(4), F.S.

¹⁸ Section 332.006(8), F.S.

¹⁹ Section 332.007(4)(a), F.S.

may only exercise the power of eminent domain if it provides just compensation to the property owners.²⁰

Similarly, Article X, section 6(a) of the Florida Constitution provides that “[n]o private property shall be taken except for a public purpose and with full compensation therefor paid to each owner or secured by deposit in the registry of the court and available to the owner.”²¹

FDOT may acquire, by eminent domain, all property or property rights, whether public or private, which it determines necessary to perform its duties or execute its powers.²²

FDOT has the statutory authority to condemn all necessary lands and property, whether public or private, for the purpose of securing and utilizing transportation rights-of-way, including a FDOT-designated transportation corridor.²³ Florida’s statutory definition of the term “transportation corridor” includes all property or property interests necessary for future transportation facilities for the purpose of securing and utilizing future transportation rights-of-way.²⁴

Effect of Proposed Changes

The bill authorizes FDOT to use its eminent domain authority in advance to preserve a transportation corridor for future proposed improvements.

FDOT - Workforce Development (Section 9)

Present Situation

Florida law authorizes FDOT to provide a construction workforce development program, in consultation with affected stakeholders, to deliver projects in FDOT's work program.²⁵ FDOT must annually allocate \$5 million to this program.²⁶

Effect of Proposed Changes

The bill authorizes FDOT to annually expend, in fiscal years 2025-2026 through 2029-2030, up to \$5 million, from the STTF, for grants to state colleges and school districts, prioritizing colleges and school districts located in counties in rural communities.²⁷ These grants may be

²⁰ Cornell Law School, Legal Information Institute, *Eminent Domain*, https://www.law.cornell.edu/wex/eminent_domain#:~:text=Eminent%20domain%20refers%20to%20the,compensation%20to%20the%20property%20owners. (last visited Mar. 28, 2025).

²¹ Florida’s eminent domain laws are codified in chs. 73 and 74, F.S.

²² Section 334.044(6), F.S.

²³ Section 337.27(1), F.S.

²⁴ Section 334.03(29)(b), F.S.

²⁵ Section 334.044(35), F.S. FDOT’s work program is developed pursuant to s. 339.135, F.S.

²⁶ Section 339.84, F.S. This is beginning in the 2023-2024 fiscal year and for five years thereafter. These funds are from the STTF.

²⁷ Section 288.0656(2)(e), F.S., defines the term “rural community” to mean a county with a population of 75,000 or fewer; a county with a population of 125,000 or fewer which is contiguous to a county with a population of 75,000 or fewer; a municipality within a county above; or an unincorporated federal enterprise community or an incorporated rural city with a population of 25,000 or fewer and an employment base focused on traditional agricultural or resource-based industries, located in a county not defined as rural, which has at least three or more of the economic distress factors and verified by the Department of Commerce.

used to purchase equipment simulators and a companion curriculum, and to support offering an elective course in heavy civil construction. The course must, at a minimum, provide the student with federal Occupational Safety and Health Administration certification and fill equipment simulator certification.

Center for Urban Transportation Research (Section 10)

Present Situation

The Center for Urban Transportation Research (CUTR) is established at the University of South Florida (USF). CUTR's responsibilities include conducting and facilitating research on issues related to Florida's urban transportation problems and serving as an information exchange and depository for the most current information pertaining to urban transportation and related issues.²⁸

CUTR's advisory board reviews and advises CUTR concerning its research program. Except for projects mandated by law, CUTR may not undertake state-funded projects without advisory board approval. CUTR's advisory board consists of nine transportation-related experts, including:

- The Secretary of Transportation or his or her designee.
- The Secretary of Environmental Protection or his or her designee.
- The Secretary of Commerce or his or her designee.
- A member of the Florida Transportation Commission.

The nomination of the remaining board members is made to USF's President by the USF College of Engineering. The appointments of these members are reviewed and approved by the Florida Transportation Commission and confirmed by the Board of Governors.²⁹

Effect of Proposed Changes

The bill amends CUTR's advisory board to consist of 10 transportation experts including the following:

- A member appointed by the President of the Senate.
- A member appointed by the Speaker of the House of Representatives.
- The Secretary of Transportation or his or her designee.
- The Secretary of Commerce or his or her designee.
- A member of the Florida Transportation Commission.
- Four members recommended to the President of USF by USF's College of Engineering, whose appointments must be reviewed and approved by the Florida Transportation Commission and confirmed by the Board of Governors.

FDOT – Project Concept Studies (Section 11)

Present Situation

²⁸ Section 334.065(1), F.S.

²⁹ Section 334.065(3), F.S.

FDOT conducts Project Development and Environment (PD&E) studies to meet federal National Environmental Policy Act³⁰ requirements. During these studies, FDOT determines the location and conceptual design of feasible build alternatives for roadway improvements and the social, economic, and environmental effects of such improvements. Throughout the study, a no-build alternative, where roads are left in their present state with routine maintenance, remains a viable alternative. A PD&E study is finalized when the Federal Highway Administration reviews the study's documentation and recommendations and provides a Location and Design Concept Acceptance.³¹

Effect of Proposed Changes

The bill requires project concept studies³² and PD&E studies for capacity improvement projects on limited access facilities³³ to evaluate alternatives providing transportation capacity using elevated roadways above existing lanes.

The bill also requires PD&E studies for new alignment projects and capacity improvement projects to be completed within 18 months after the date of commencement.

FDOT Contracting Authority (Section 12)

Present Situation

FDOT may enter into contracts for the construction and maintenance of all roads on the State Highway System, the State Park Road System, or any other road under its supervision. FDOT may also enter into contracts for the construction and maintenance of rest areas, weigh stations, and other structures used in connection with such facilities. However, these contracts do not create third-party beneficiary rights in any person that is not a party to the contract.³⁴

Effect of Proposed Changes

The bill stipulates a contractor entering into a construction and maintenance contract with FDOT provides a service to FDOT.

³⁰ Pub. L. 91-190; 83 Stat. 852.

³¹ FDOT District 7, *What is a PD&E Study*, <https://www.fdotd7studies.com/projects/what-is-a-pde-study/>. (last visited Mar. 27, 2025).

³² The term “project concept study” is not defined in federal or state law.

³³ Section 334.03(12), F.S., defines the term “limited access facility” to mean a street or highway especially designed for through traffic, and over, from, or to which owners or occupants of abutting land or other persons have no right or easement of access, light, air, or view by reason of the fact that their property abuts upon such limited access facility or for any other reason. Such highways or streets may be facilities from which trucks, buses, and other commercial vehicles are excluded; or they may be facilities open to use by all customary forms of street and highway traffic.

³⁴ Section 337.11(1), F.S.

Awarding of FDOT Contracts (Section 12)

Present Situation

FDOT may award a contract for proposed construction and maintenance work to the lowest responsible bidder, or with a time-plus-money contract, the lowest evaluated responsible bidder, or it may reject all bids and rebid the work or otherwise perform the work.³⁵

Effect of Proposed Changes

If FDOT receives bids, outside of its criteria for an automatic contract award, the bill requires FDOT to:

- Arrange an in-person meeting with the lowest responsive, responsible bidder to determine why the bids are over FDOT's estimate. FDOT may, at its discretion, subsequently award the contract to the lowest responsive, responsible bidder;
- Reject all bids and rebid the work; or
- Invite all responsive, responsible bidders to provide their best and final offers without filing a protest or posting a bond. Thereafter, if FDOT awards the contract, it must be awarded to the bidder that presents the lowest best and final offer.

If FDOT intends to reject all bids on any project after announcing, but before posting official notice of its intent, the bill requires FDOT to provide to the lowest responsive, responsible bidder the opportunity to negotiate the scope of work with a corresponding reduction in price, as provided in the bid, to provide its best and final offer without filing a protest or posting a bond. Upon reaching a decision regarding the lowest bidder's best and final offer, FDOT must post notice of final agency action to either reject all bids or accept the best and final offer.

This does not prohibit any bidder from filing a protest or altering the statutory deadlines related to bid protests.³⁶

The bill provides that notwithstanding ss. 120.57(3)(c), F.S., relating to bid protests and 287.057(25), F.S., relating to a disclosure on the procurement of solicitations, upon receipt of a timely-filed formal written protest, FDOT may continue this process, but it may not take final agency action as to the lowest bidder except as part of its final agency action in the protest or upon the protesting party's dismissal of the protest.

FDOT Phased Design-Build Contracts (Section 12)

Present Situation

FDOT may enter into phased-design build contracts, where contract selection and award is done with a two-phase process. For phase one, FDOT competitively awards the contract, based upon qualifications, to a design-build firm. For phase two, the design-build firm competitively bids construction trade subcontractor packages and based upon these bids, negotiates with FDOT a price that meets the project's budget and scope.³⁷

³⁵ Section 337.11(4), F.S.

³⁶ The statutory deadlines relating to bid protests are in s. 120.57(3), F.S.

³⁷ Section 337.11(7)(b), F.S. The project's budget and scope are as advertised in the request for qualifications.

Effect of Proposed Changes

The bill requires FDOT, for phased design-build projects, to competitively award the contract to a qualified firm, provided that FDOT receives at least three statements of qualification from qualified firms. If during phase one, FDOT elects, based upon qualifications, to enter into contracts with more than one design-build firm, FDOT must competitively award the phase-two contract to a single design-build firm.

The bill authorizes the design-build firm to self-perform portions of the project's work and use estimates related to this self-performance to negotiate with FDOT.

Marine General Liability Insurance (Section 12)

Present Situation

FDOT requires each contractor to indemnify and hold harmless FDOT and its officers and employees from liabilities, damages, losses, and costs, including, but not limited to, reasonable attorney's fees, to the extent caused by the negligence, recklessness, or intentional wrongful misconduct of the contractor and persons employed or utilized by the contractor in the performance of the construction contract.³⁸

FDOT also requires each contractor to carry commercial general liability insurance that provides continuous coverage for all work and operations provided under the contract. Additional requirements exist for construction adjacent to railroad tracks and certain utility facilities.³⁹

Since commercial general liability insurance policies exclude marine work, marine general liability insurance is designed to protect against claims of liability for bodily injury, property damage, and personal injury for those who work on or near the water. These classes include ship repairers, marina operators, charterers, stevedores, and terminal operators.⁴⁰

Each contract let by FDOT to perform bridge construction or maintenance over navigable waters must require marine general liability insurance, in an amount determined by FDOT, to cover third-party personal injury and property damage caused by vessels used by the contractor in the performance of the work.⁴¹

Effect of Proposed Changes

The bill requires a contract let by FDOT on or after July 1, 2025, for work requiring a contractor to have marine general liability insurance, that such insurance includes protection and indemnity coverage. The contractor may receive this additional coverage by an endorsement on its marine general liability insurance policy or from a separate insurance policy.

³⁸ DOT Specs Book (January 2017) at Section 7-12.1, <https://www.fdot.gov/docs/default-source/programmanagement/implemented/specbooks/january2017/files/007-117.pdf> (last visited Mar. 28, 2025).

³⁹ *Id.* at Sections 7-13.2, 7-13.3, and 7-13.4.

⁴⁰ Kelly White and Associates Insurance, LLC, *Marine General Liability Insurance*, <https://kwhiteinsurance.com/marine-insurance/#:~:text=Marine%20General%20Liability%20protects%20against,%2C%20stevedores%2C%20and%20terminal%20operators> (last visited Mar. 28, 2025).

⁴¹ Section 337.11(15), F.S.

Settlement Agreements (Section 13)

Present Situation

Agencies subject to the Administrative Procedures Act,⁴² including FDOT, must resolve protests arising from the contract solicitation or award process using uniform rules of procedure.⁴³

FDOT's contracting statute provides additional information regarding its settlement of bid protests. When FDOT determines that it is in the public's best interest to resolve a bid protest through a settlement agreement, and the agreement requires FDOT to pay a nonselected responsive bidder \$1 million or more, any stipend paid to a non-selected design-build firm, which is not included in FDOT's work program, or any amount paid pursuant to any other law, FDOT must:

- Document the specific reasons that such settlement and payment is in the best interest of the state. Such documentation must include a description of any rights or designs that FDOT will acquire or retain with such settlement, and the specific appropriation that FDOT intends to use to provide such payment.
- Provide prior written notification to the President of the Senate, the Speaker of the House of Representatives, the Senate and House of Representatives minority leaders, the chair and vice chair of the Legislative Budget Commission, and the Attorney General before FDOT makes the settlement agreement final.
- Provide written notification of settlement discussions to the President of the Senate, the Speaker of the House of Representatives, the Senate and House of Representatives minority leaders, the chair and vice chair of the Legislative Budget Commission, and the Attorney General.⁴⁴

Effect of Proposed Changes

The bill provides that FDOT may not, through the settlement of a protest of the award of a contract being procured or related to the purchase of commodities or contractual services, create a new contract unless it competitively procures the new contract.

Application for Qualification (Section 14)

Present Situation

Under Florida law any contractor desiring to bid on a construction contract in excess of \$250,000 must be certified as qualified by FDOT.⁴⁵ FDOT's contractor certification rules address these qualifications and provide requirements regarding a contractor's equipment, past record, experience, financial resources, and organizational personnel.⁴⁶

⁴² Chapter 120, F.S.

⁴³ Section 120.57(3), F.S. The Uniform Rules of Procedure relating to bid protests are contained in Fla. Admin. Code R. 28-110.001 through 28-110.005.

⁴⁴ Section 337.1101(1), F.S.

⁴⁵ Certification for qualification is pursuant to s. 337.14, F.S., and FDOT rules.

⁴⁶ Section 337.14(1), F.S.

FDOT may waive prequalification for projects of \$500,000 or less if FDOT determines that the project is of a noncritical nature and the waiver will not endanger public health, safety, or property.⁴⁷

Effect of Proposed Changes

The bill authorizes FDOT to waive its prequalification requirements for contracts of \$1 million or less which have a diverse scope of work that may or may not be performed. These contracts are typically known as push-button or task work order contracts.

FDOT Contractor Certification (Section 14)

Present Situation

Certification by FDOT is required in order for a contractor to bid on a road, bridge, or public transportation construction contract of more than \$250,000. However, prior to the award of the contract, the successful bidder must furnish a contract bond. FDOT may waive all or a portion of the bonding requirement for contracts of \$150,000 or less.⁴⁸

Effect of Proposed Changes

The bill increases the maximum contract amount for which FDOT may waive bond requirements from \$150,000 to \$250,000.

FDOT Maintenance Contracts (Section 14)

Present Situation

Section 337.14(8), F.S., provides that s. 337.14, F.S., which relates to the applications for qualification and certificates of qualification for FDOT contractors, does not apply to maintenance contracts.

Effect of Proposed Changes

The bill amends s. 337.14(8), F.S., requiring a contractor seeking to bid on a maintenance contract that predominately includes repair and replacement of safety appurtenances, including, but not limited to, guardrails, attenuators, traffic signals, and striping, to possess the prescribed qualifications equipment, record, and experience to perform such repair and replacement.

State Arbitration Board (Section 15)

Present Situation

The State Arbitration Board (SAB), within FDOT, facilitates the prompt resolution of claims arising out of or in connection with FDOT's construction or maintenance contract.^{49A}

⁴⁷ Section 337.14(1), F.S.

⁴⁸ Section 337.14(2), F.S.

⁴⁹ Section 337.185(1), F.S.

contractor⁵⁰ may submit a claim⁵¹ of greater than \$250,000 up to \$1 million per contract or, upon agreement of the parties, up to \$2 million per contract for arbitration by the SAB. An SAB-issued award is final, unless a request for a trial de novo is filed within the time frame provided by Rule 1.830, Florida Rules of Civil Procedure.⁵²

Parties may not make an arbitration request prior to FDOT's final acceptance of the project,⁵³ but such requests must be made within 820 days after final acceptance.⁵⁴

Effect of Proposed Changes

The bill authorizes the SAB to arbitrate a claim of up to \$2 million, instead of the current \$1 million or, upon agreement, claims greater than \$2 million.

The bill provides that an arbitration request related to a written warranty or defect claim must be made within 360 days after FDOT provides written notice of such claim. This applies when the claim is made after FDOT's final acceptance of the project.

Metropolitan Planning Organizations (Section 16)

A metropolitan planning organization (MPO) is a policy board created and designated to carry out the metropolitan transportation planning process.⁵⁵ MPOs are required to represent localities in all urbanized areas with populations over 50,000, as determined by the U.S. Census.⁵⁶ Currently, Florida has 27 MPOs, the largest number of MPOs in the nation.⁵⁷

Federal law and regulations give MPOs, in coordination with FDOT and others, significant transportation planning responsibility. Federal law requires MPOs to be designated for each urbanized area with a population of more than 50,000 individuals by agreement between the Governor and units of general-purpose local government that together represent at least 75 percent of the affected population, including the largest incorporated city; or in accordance with procedures established by applicable state or local law.⁵⁸

⁵⁰ Section 337.185(2)(b), F.S., defines the term "contractor" to mean a person or firm having a contract for rendering services to FDOT relating to the construction or maintenance of a transportation facility.

⁵¹ Section 337.185(2)(a), F.S., defines the term "claim" to mean the aggregate of all outstanding written requests for additional monetary compensation, time, or other adjustments to the contract, the entitlement or impact of which is disputed by FDOT and could not be resolved by negotiation between FDOT and the contractor.

⁵² Section 337.185(4), F.S.

⁵³ Section 337.185(2)(c), F.S., defines the term "final acceptance" to mean that the contractor has completely performed the work provided for under the contract, FDOT or its agent has determined that the contractor has satisfactorily completed the work provided for under the contract, and FDOT or its agent has submitted written notice of final acceptance to the contractor.

⁵⁴ Section 337.185(5), F.S.

⁵⁵ 23 C.F.R. § 450.104.

⁵⁶ Federal Transit Administration, *Metropolitan Planning Organization*, <https://www.transit.dot.gov/regulations-and-guidance/transportation-planning/metropolitan-planning-organization-mpo> (last visited March 28, 2025).

⁵⁷ A list and a map of Florida's MPOs is available at: <https://www.mpoac.org/mpoac/> (last visited March 28, 2025).

⁵⁸ 23 U.S.C., § 134(d)(1)

MPO Purpose/Intent

Present Situation

Florida law provides legislative intent to encourage and promote the safe and efficient management, operation, and development of surface transportation systems that will serve the mobility needs of people and freight and foster economic growth and development within and through the state's urbanized areas while minimizing transportation-related fuel consumption, air pollution, and greenhouse gas emissions through metropolitan transportation planning processes.⁵⁹

To accomplish these objectives, MPOs must develop, in cooperation with the state and public transit operators, transportation plans and programs for metropolitan areas. These plans and programs must provide for the development and integrated management and operation of transportation systems and facilities that will function as an intermodal transportation system for the metropolitan area.⁶⁰

Effect of Proposed Changes

The bill amends legislative intent regarding MPOs to emphasize:

- Developing multimodal transportation systems, instead of surface transportation systems; and
- Serving the mobility needs of people and freight and fostering economic growth and development throughout the urbanized areas of this state while balancing conservation of natural resources.

MPO Designation

Present Situation

An MPO must be designated for each urbanized area of the state. However, an individual MPO is not required to be designated for each urbanized area. MPO designation is done by agreement between the Governor and the general-purpose local governments representing at least 75 percent of the urbanized area's population. However, the general-purpose local government representing the central city or cities within the MPO must be a party to the agreement.⁶¹

To the extent possible, only one MPO may be designated for each urbanized area or group of contiguous urbanized areas. More than one MPO may be designated within an existing urbanized area only if the Governor and the existing MPO determine that the existing urbanized area's size and complexity makes designating more than one MPO for the area appropriate, in which case each MPO designated for the area must:

- Consult with every other MPO designated for the urbanized area and the state to coordinate plans and transportation improvement programs.
- Ensure, to the maximum extent practicable, the consistency of data used in the planning process, including data used in forecasting travel demand within the urbanized area.⁶²

⁵⁹ Section 339.175(1), F.S.

⁶⁰ *Id.*

⁶¹ Section 339.175(2)(a)1., F.S.

⁶² Section 339.175(2)(a)2., F.S.

MPO boundaries are determined by agreement between the Governor and the MPO. The MPO's boundaries must include at least the metropolitan planning area but may encompass the entire metropolitan statistical area or the consolidated metropolitan statistical area.⁶³

Effect of Proposed Changes

The bill provides that after July 1, 2025, no additional MPOs may be designated in Florida except in urbanized areas⁶⁴ where the urbanized area is not contiguous to an urbanized area designated before the 2020 census.

The bill repeals the requirement that when there is more than one MPO in an urbanized area, the MPOs must consult with every other MPO in the urbanized area and the state to coordinate plans and transportation improvement programs and to ensure consistency in data used in the planning process.

MPO Powers, Duties, and Responsibilities

Present Situation

Each MPO must perform all acts necessary to qualify for federal aid, and each MPO must be involved in transportation planning and programming to the extent permitted by state or federal law. However, an MPO may not perform project production or delivery for capital improvement projects on the State Highway System.⁶⁵

In developing its long-range transportation plan (LRTP)⁶⁶ and the transportation improvement program (TIP),⁶⁷ each MPO must consider projects and strategies that will:

- Support the economic vitality of the contiguous urbanized metropolitan area, especially by enabling global competitiveness, productivity, and efficiency.
- Increase the safety and security of the transportation system for motorized and nonmotorized users.
- Increase the accessibility and mobility options available to people and for freight.
- Protect and enhance the environment, promote energy conservation, and improve quality of life.
- Enhance the integration and connectivity of the transportation system, across and between modes and contiguous urbanized metropolitan areas, for people and freight.
- Promote efficient system management and operation.
- Emphasize the preservation of the existing transportation system.
- Improve the resilience of transportation infrastructure.⁶⁸

To more fully accomplish an MPO's purposes, MPOs must develop coordination mechanisms with one another to expand and improve transportation within the state.⁶⁹

⁶³ Section 339.175(2)(a)3., F.S.

⁶⁴ This is as defined by the United States Bureau of the Census.

⁶⁵ Section 339.175(6), F.S.

⁶⁶ The long-range transportation plan is developed pursuant to s. 339.175(7), F.S.

⁶⁷ The transportation improvement program is developed pursuant to s. 339.175(8), F.S.

⁶⁸ Section 339.175(6)(b), F.S.

⁶⁹ Section 339.175(6)(j)1., F.S.

Effect of Proposed Changes

The bill amends the considerations required by each MPO in developing its LRTP and TIP to include conserving natural resources, instead of promoting energy conservation. Additionally, MPOs must consider projects and strategies to reduce traffic and congestion.

The bill requires FDOT to, at least annually, convene MPOs of similar size, based on population served, to exchange best practices.

The bill authorizes MPOs to develop committees or working groups as needed to accomplish such purpose. At FDOT's discretion, training for new MPO governing board members must be provided by FDOT, by an entity pursuant to a contract with FDOT, by the Center for Urban Transportation Research at the University of South Florida, or by Implementing Solutions for Transportation Research and Evaluation of Emerging Technologies (I-STREET) Living Lab at the University of Florida.

MPO Consolidation Report*Present Situation*

By December 31, 2023, the MPOs serving Hillsborough, Pasco, and Pinellas counties were required to submit a feasibility report to the Governor, the President of the Senate, and the Speaker of the House of Representatives exploring the benefits, costs, and process of consolidation into a single MPO serving the contiguous urbanized area, the goals of which would be to:

- Coordinate transportation projects deemed to be regionally significant.
- Review the impact of regionally significant land use decisions on the region.
- Review all proposed regionally significant transportation projects in the transportation improvement programs.⁷⁰

Effect of Proposed Changes

The bill repeals this obsolete report requirement.

MPO Long-Range Transportation Plans*Present Situation*

Each MPO must develop an LRTP addressing at least a 20-year planning horizon. The LRTP must include both long-range and short-range strategies. The prevailing principles to be considered in the LRTP are preserving the existing transportation infrastructure; enhancing Florida's economic competitiveness; and improving travel choices to ensure mobility.⁷¹

The LRTP must be consistent, to the maximum extent feasible, with future land use elements and the goals, objectives, and policies of the approved local government comprehensive plans of the local government within the MPO. Each MPO is encouraged to consider strategies integrating

⁷⁰ Section 339.175(6)(i), F.S.

⁷¹ Section 339.175(7), F.S.

transportation and land use planning to provide for sustainable development and reduce greenhouse gas emissions. Local governments must consider LRTPs in developing transportation elements in local government comprehensive plans.⁷²

In developing its LRTP, each MPO must provide the public and other interested parties with a reasonable opportunity to comment. The MPO must approve its LRTP.⁷³

Effect of Proposed Changes

The bill revises provisions relating to MPO LRTPs by removing the requirement that multiple MPOs within a contiguous urbanized area must coordinate the development of LRTPs to be reviewed by the MPOAC.

The bill includes public-private partnerships in the list of innovative financing techniques that MPOs may consider.

Regarding transportation enhancement activities, the bill includes the integration of advanced air mobility and integration of autonomous and electric vehicles, electric bicycles, and motorized scooters used for freight, commuter or micromobility purposes. The bill removes historic preservation, mitigation of water pollution due to highway runoff, and control of outdoor advertising as potential transportation enhancement activities.

MPO Agreements and Accountability

Present Situation

Currently, there are no MPO-specific statutory accountability provisions.

Effect of Proposed Changes

The bill authorizes each MPO to execute a written agreement with FDOT, which must be reviewed, and updated as necessary, every five years, which clearly establishes the cooperative relationship essential to accomplish state and federal transportation planning requirements. Roles, responsibilities, and expectations for accomplishing consistency with federal and state requirements and priorities must be set forth in the agreement. In addition, the agreement must set forth the MPO's responsibility, in collaboration with FDOT, to identify, prioritize, and present a complete list of multimodal transportation projects consistent with the metropolitan planning area's needs. It is FDOT's responsibility to provide projects in the state transportation improvement plan.

The bill requires FDOT to establish, in collaboration with each MPO, quality performance metrics such as safety, infrastructure condition, congestion relief, and mobility. Each MPO, as part of its LRTP, in direct coordination with FDOT, must develop targets for each performance measure within the metropolitan planning area. The performance targets must support efficient and safe movement of people and goods both within the metropolitan planning area and between regions. Each MPO must report progress toward establishing performance targets for each

⁷² Section 339.175(7), F.S.

⁷³ Section 339.175(7), F.S.

measure annually in its transportation improvement plan. FDOT must evaluate and post on its website whether each MPO has made significant progress toward its target for the applicable reporting period.

Metropolitan Planning Organization Advisory Council

Present Situation

The Metropolitan Planning Organization Advisory Council (MPOAC), consisting of one representative from each MPO, was established to augment, and not supplant, the individual MPO's role in the cooperative transportation planning process.⁷⁴

The MPOAC's powers and duties are to:

- Establish bylaws providing procedural rules to guide its proceedings and consideration of matters before the MPOAC, or, alternatively, adopt rules to implement provisions of law conferring powers or duties upon it.
- Assist MPOs in carrying out the urbanized area transportation planning process by serving as the principal forum for collective policy discussion.
- Serve as a clearinghouse for review and comment by MPOs on the Florida Transportation Plan and on other issues required to comply with federal or state law in carrying out the urbanized area transportation and systematic planning processes. The MPOAC must annually report to the Florida Transportation Commission on the alignment of MPO LRTPs with the Florida Transportation Plan.
- Employ an executive director and such other staff as necessary to adequately perform its functions.⁷⁵
- Deliver training on federal and state program requirements and procedures to MPO board members and MPO staff.
- Adopt a strategic plan, prioritizing steps it will take to carry out its mission within the context of the state comprehensive plan and any other statutory mandates and directives.⁷⁶

The MPOAC may enter into contracts to support the activities described above. Lobbying and the acceptance of funds, grants, assistance, gifts, or bequests from private, local, state, or federal sources are prohibited.⁷⁷

Effect of Proposed Changes

The bill repeals the MPOAC.

⁷⁴ Sections 339.175(11)(a) and (b), F.S.

⁷⁵ The MPOAC is assigned to the Office of the Secretary of Transportation for fiscal and accountability purposes. It otherwise functions independently of FDOT's control and direction.

⁷⁶ Section 339.175(11)(c), F.S.

⁷⁷ Section 339.175(11)(d), F.S.

Strategic Intermodal System Highway Corridors (Section 17)

Present Situation

Florida's Strategic Intermodal System (SIS) is its high priority network of transportation facilities important to the state's economy and mobility.⁷⁸ FDOT must plan and develop SIS highway corridors to allow for high-speed and high-volume.⁷⁹ SIS highway corridors include facilities on State Highway System that meet FDOT-adopted criteria, including Interstate highways, the Florida Turnpike System, interregional and intercity limited access facilities, existing interregional and intercity arterial highways meeting certain standards, and new limited access facilities necessary to complete a balanced statewide system.⁸⁰

FDOT must develop and maintain a plan of SIS highway corridor projects that it anticipates, to contract for construction within at least the next 20 years. This plan must also identify when SIS Highway Corridor segments will meet SIS standards and criteria.⁸¹

Effect of Proposed Changes

The bill requires FDOT, in its SIS highway corridors plan of projects, to prioritize projects affecting gaps in a corridor so that the corridor becomes contiguous in its functional characteristics.

Greater Miami Expressway Agency (GMX) (Section 18)

Present Situation

Part I of ch. 348, F.S., creates the GMX in Miami-Dade County and a portion of Monroe County.⁸² GMX operates and maintains the Airport Expressway (SR 112), the Dolphin Expressway (SR 836), the Don Shula Expressway (SR 874), the Snapper Creek Expressway (SR 878) and the Gratigny Parkway (SR 924).⁸³

GMX's governing board consists of the following nine voting members:

- Four members, appointed by the Governor, subject to Senate confirmation, each of whom must be a permanent resident of Miami-Dade County;
- Two members, appointed by the Miami-Dade County Board of County Commissioners, who must be residents of an unincorporated portion GMX's geographic boundaries⁸⁴ and reside within 15 miles of an area with the highest amount of agency toll roads;

⁷⁸ FDOT, *Strategic Intermodal System*, <https://www.fdot.gov/planning/systems/sis> (last visited Mar. 28, 2025).

⁷⁹ Section 339.65(1), F.S.

⁸⁰ Section 339.65(2), F.S.

⁸¹ Section 339.65(4), F.S.

⁸² Section 348.0304(1), F.S.

⁸³ Greater Miami Expressway Agency, *History of Greater Miami-Expressway Agency*, <https://gmx-way.com/about/history> (last visited April 2, 2025).

⁸⁴ GMX serves the geographical boundaries of Miami-Dade County and the portion of northeast Monroe County including County Road 94 and the portion of Monroe County bounded on the north and east by the borders of Monroe County and on the south and west by County Road 94. *See* 348.0304(2), F.S.

- Two members, appointed by the metropolitan planning organization for a county GMX serves, who must be residents of incorporated municipalities within a county served by the GMX; and
- The FDOT district secretary serving in the district that contains Miami-Dade County shall serve as an ex officio voting member.⁸⁵

Appointments made by the Governor and board of county commissioners of Miami-Dade County must reflect the state's interests in the transportation sector and represent GMX's intent, duties, and purpose, and have at least three years of professional experience in one or more of the following areas: finance; land use planning; tolling industry; or transportation engineering.⁸⁶

Effect of Proposed Changes

The bill amends s. 348.0304(3)(a), F.S., modifying the requirements for GMX governing body members. It deletes the requirement that two of the members (that are appointed by the Miami-Dade board of county commissioners) must reside within 15 miles of an area with the highest amount of agency toll roads. The bill replaces this requirement with one that requires such persons must, instead, reside within 15 miles of any agency toll road. It maintains the requirement in current law that such persons must be residents of an unincorporated portion of GMX's geographic boundaries.

Interstate 4 Widening (Section 21)

Present Situation

Included in FDOT's Moving Florida Forward Initiative is the acceleration of the addition of two new express lanes in each direction along Interstate 4 (I-4) from west of U.S. 27 in Polk County to east of World Center Drive (S.R. 536) in Orange County. FDOT is also accelerating the construction of two new congestion relief lanes, one in each direction, between U.S. 27 and east of World Drive.⁸⁷

Effect of Proposed Changes

The bill provides legislative findings that widening of I-4 from U.S. 27 in Polk County to I-75 in Hillsborough County is in the state's public interest and the region's strategic interest to improve the movement of people and goods.

The bill requires FDOT to develop a report on the efficient widening I-4 from U.S. 27 in Polk County to I-75 in Hillsborough County. The report must include, but is not limited to, detailed cost projections and schedules for project development and environmental studies, design, acquisition of rights-of-way, and construction. The report must identify funding shortfalls and provide strategies to address such shortfalls, including, but not limited to, the use of express lanes toll revenues⁸⁸ generated on the I-4 corridor and FDOT funds available for public-private

⁸⁵ Section 348.0304(3)(a), F.S. Except for the FDOT district secretary, each member must be a permanent resident of either Miami-Dade or Monroe County and may not hold, or have held in the previous two years, elected or appointed office in such county.

⁸⁶ *Id.*

⁸⁷ FDOT, Moving I-4 Forward, <https://movingi4forward.com/> (last visited Mar. 28, 2025).

⁸⁸ Tolls on express lanes are authorized in s. 338.166, F.S.

partnerships.⁸⁹ By December 31, 2025, FDOT must submit its report to the Governor, the President of the Senate, and the Speaker of the House of Representatives.

Conforming Changes (Sections 5, 19-20)

The bill repeals s. 331.3051(14), F.S., requiring Space Florida to partner with the MPOAC regarding aerospace planning and programming in Florida's cooperative planning process. This is to conform to the repeal of the MPOAC.

The bill amends s. 331.310, F.S., conforming a cross-reference.

The bill reenacts s. 332.115, F.S., incorporating a change made to s. 332.004, F.S.

Effective Date (Section 22)

The bill takes effect July 1, 2025.

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:

The bill (section 1) allocates to the STTF \$4.167 million monthly in sales tax revenues which are currently allocated to the General Revenue Fund.

⁸⁹ Public-private partnerships are authorized in s. 334.30, F.S.

B. Private Sector Impact:

The bill will collectively have an indeterminate negative fiscal impact on the private sector through increased insurance costs for FDOT contactors performing certain work over navigable waters (section 12).

C. Government Sector Impact:

The bill (section 1) allocates \$4.167 million monthly of the sales tax revenue currently allocated to General Revenue to the STTF.

The bill (section 2) requires each county to annually submit transportation project data to FDOT. Counties will incur indeterminate costs to compile and provide this data. FDOT will also incur costs associated with compiling this data and publishing it on its website.

The bill (section 9) authorizes FDOT to expend up to \$5 million per fiscal year, from the STTF, in grants to state colleges and school districts to support offering elective courses in heavy civil construction. This provision authorizes transfer of state transportation funds to state colleges and school districts.

The bill (section 21) requires FDOT to develop a report regarding the widening of I-4. FDOT will incur indeterminate costs to develop this report.

VI. Technical Deficiencies:

None.

VII. Related Issues:

Section 1 of the bill directs the Department of Revenue to “reassess,” every 5 fiscal years, a monthly distribution of \$4.167 million to the STTF. However, the bill does not appear to provide on what basis this reassessment is to be completed, and the bill does not appear to allow for this distribution to be revised by the Department of Revenue.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 212.20, 316.183, 316.187, 331.3051, 331.3051, 332.004, 332.006, 332.007, 334.044, 334.065, 337.11, 337.1101, 337.14, 337.185, 339.175, 339.65, 348.0304, and 610.106.

This bill creates the following sections of the Florida Statutes: 218.3215 and 334.63.

This bill conforms a cross-reference in s. 310.310 of the Florida Statutes.

This bill reenacts s. 332.115 of the Florida Statutes.

This bill creates one undesignated section of Florida Statutes.

IX. Additional Information:**A. Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)**CS/CS by Regulated Industries on April 1, 2025**

- Removes a requirement that certain contract-related lawsuits by and against the Florida Department of Transportation (FDOT) related to warranty and construction defect claims made after final acceptance, must be made within 360 days after notification of the claim.
- Removes portions of the bill relating to utility relocation—specifically, the following:
 - A requirement that certain underground utility facilities be electronically detectable;
 - A requirement that utility owners pay authorities (FDOT and local jurisdictions) reasonable damages for failure or refusal to timely remove or relocate a utility;
 - Requirements for the use of as-built plans as it relates to completed utility work in the right-of-way;
 - An authorization for FDOT, if certain conditions are met, to reimburse a utility owner for a portion of the utility owner’s relocation costs;
 - Procedures for FDOT and the utility owner to follow related to notice requirements, the submission of relocation plans, and the need for additional work; and
 - A requirement that FDOT establish mediation boards to resolve utility-related disputes and requirements for such boards.
- Revises the governing body of the nine-member Greater Miami Expressway Agency. It deletes the requirement that two of the members (that are appointed by the Miami-Dade board of county commissioners) must reside within 15 miles of an area with the highest amount of agency toll roads. The committee substitute replaces this requirement with one that such persons must, instead, reside within 15 miles of any agency toll road.

CS by Transportation on March 19, 2025:

- Revises the monthly distribution of sales tax revenues to the STTF to \$4.167 million.
- Increases maximum allowable highway speed limits on certain highways by 5 miles per hour.
- Authorizes public-use airports to participate in the FAA’s Airport Investment Partnership Program and to contract with a private partner to operate the airport under lease or agreement.
- Makes airports operating under public-private partnership agreements eligible for certain aviation-related funding.
- Revises the membership of the board for the Center for Urban Transportation Research at the University of South Florida.
- Revises provisions regarding FDOT’s requirements if it receives bids outside of its criteria to automatically award the bid.
- Requires the utility owner to pay actual, instead of reasonable, damages and costs associated with its failure or refusal to timely relocate utilities.

- Authorizes FDOT to reimburse the utility owner for a portion of its utility relocation costs if certain conditions are met.
- Authorizes FDOT to withhold amounts due to a utility owner or withhold the issuance of new permits to the utility owner in the same FDOT district where the utility relocation is located, if the utility owner is not meeting certain obligations.
- Provides that the members of FDOT's mediation boards are compensated for their services.
- Revises provisions relating to MPOs, including requiring the exchange of best practices, and accountability and transparency requirements, and the repeal of the MPOAC.
- Clarifies the scope of FDOT's report on the widening of I-4.
- Makes other technical and conforming changes.

B. Amendments:

None.