

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 Appropriations Committee on Transportation, Tourism, and Economic Development

BILL: CS/SB 532

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

SUBJECT: Toll Payments

DATE: April 14, 2025

REVISED: _____

| | ANALYST | STAFF DIRECTOR | REFERENCE | ACTION |
|----|---------|----------------|-----------|------------------|
| 1. | Johnson | Vickers | TR | Favorable |
| 2. | Wells | Nortelus | ATD | Fav/CS |
| 3. | | | FP | |

I. Summary:

CS/SB 532 creates an exemption from the payment of tolls for the following individuals:

- A person who has been determined to have a 100 percent disability rating for compensation by the United States Department of Veterans Affairs or who has been determined to have a service-connected disability rating of 100 percent and receives disability retirement pay from any branch of the United States Armed Services.
- A person operating a motor vehicle displaying a Purple Heart Specialty license plate or a motorcycle displaying a Purple Heart special motorcycle license plate.

This bill will have a negative fiscal impact on state and local governments. **See Section V., Fiscal Impact for details.**

The bill takes effect July 1, 2025.

II. Present Situation:

Toll Facilities

The Florida Turnpike Enterprise, which is part of the Florida Department of Transportation (FDOT), operates the Florida Turnpike System with 515 centerline miles of limited-access toll facilities.¹ The FDOT-owned toll facilities include Alligator Alley, the Pinellas Bayway System, the Sunshine Skyway Bridge, the Wekiva Parkway, and the Garcon Point Bridge.²

¹ Florida Turnpike Enterprise, 2024 Comprehensive Annual Financial Report, p. 8. <https://floridasturnpike.com/wp-content/uploads/2024/12/FY%202024%20ACFR.pdf> (last visited April 3, 2025).

² Florida Department of Transportation, *Enterprise Toll Report*, https://floridasturnpike.com/wp-content/uploads/2024/07/2_Department-owned-Facilities.pdf (last visited April 3, 2025).

Other Florida entities operating toll facilities include, but are not limited to, the Central Florida Expressway Authority, the Greater Miami Expressway Agency, the Mid-Bay Bridge Authority, and the Tampa-Hillsborough County Expressway Authority. Other toll facilities are operated by Escambia County,³ Lee County,⁴ and Miami-Dade County.⁵

Payment of Tolls for the Use of a Toll Facility

Florida law requires the FDOT to fix adjust, charge, and collect such tolls and amounts for the use of the Turnpike System as are required in order to provide a fund sufficient with other revenues of the Turnpike System to pay the cost of maintaining, improving, repairing, and operating such turnpike system; to pay the principal of and interest on all bonds issued to finance or refinance any portion of the Turnpike System; and to create reserves for these purposes.⁶

Any person using a toll facility is required to pay the applicable toll, except for limited exceptions, which are:

- An employee of the toll agency on official state business.
- State military personnel while on official military business.
- A person with a disability that impairs his or her ability to deposit tolls into toll basket.
- A person exempt from toll payment by the authorizing resolution for bonds issued to finance the facility.
- A person exempt on a temporary basis when a toll facility is used as a detour route.
- A law enforcement officer operating an official vehicle while on official law enforcement business.
- A person operating a fire vehicle or a rescue vehicle while on official business.
- A person participating in the funeral procession of a law enforcement officer or firefighter killed in the line of duty.⁷
- Any person driving a vehicle belonging to the Department of Military Affairs transporting military personnel, stores, and property.⁸
- As part of an emergency evacuation, when tolls are suspended by the Secretary of Transportation.⁹

The failure to pay a toll is a noncriminal traffic infraction, punishable as a moving violation.¹⁰ A toll violation has a mandatory fine of \$100 for each violation, plus the amount of unpaid tolls.¹¹ With additional fees, the penalty may be up to \$198, plus the amount of unpaid tolls.¹²

³ Visit Pensacola, <https://www.visitpensacola.com/plan-your-trip/getting-here/#ilget-around> (last visited April 3, 2025).

⁴ Lee County, *Lee County Tolls*, <https://www.leegov.com/tolls>, (last visited April 3, 2025).

⁵ Miami-Dade County, *Causeways*, https://www.miamidade.gov/global/service.page?Mduid_service=ser1684342734896148 (last visited April 3, 2025).

⁶ Section 338.231, F.S., Florida Department of Transportation (FDOT), Agency Analysis of 2025 House Bill 313 and Senate Bill 574, p. 2. *FDOT Analysis* (on file with Senate Committee on Transportation).

⁷ Section 338.155(1)(a), F.S.

⁸ Section 338.155(2), F.S.

⁹ Section 338.155(1)(b), F.S.

¹⁰ Section 338.155(1)(c), F.S.

¹¹ Section 318.18(7), F.S.

¹² Florida Clerk of Courts, *2024 Distribution Schedule*, p. 64, available at:

https://cdn.ymaws.com/www.flclerks.com/resource/resmgr/publicationsanddocuments/2024_Distribution_Schedule_-_pdf (last visited April 3, 2025).

Turnpike Bond Covenants

Florida law authorizes the FDOT to borrow money as provided by the State Bond Act¹³ to finance the cost of any one or more legislatively approved Turnpike projects. The principal of, and the interest on, such bonds must be payable solely from revenues pledged for their repayment.¹⁴

In connection with the issuance of such bonds, the state has covenanted to not limit or restrict the rights vested in the Department to establish and collect tolls for the use of the Turnpike System and otherwise fulfill the terms of any agreements with its bondholders. The State also covenanted not to impair the rights or remedies of the FDOT's bondholders until the bonds are fully paid and discharged.¹⁵ Statutes creating the state's expressway authorities contain similar provisions.¹⁶

The Florida Turnpike Enterprise's master bond resolution, originally adopted in 1988, and amended and restated in 2005 (Resolution), contains commitments by the FDOT regarding funding and operation of the Turnpike System. Section 5.03 of the Resolution provides that the Resolution is a contract with the bondholders and is enforceable in court by the bondholders. The Resolution may not be amended in any way that affects "the unconditional promises of the Department to fix, maintain and collect Tolls for the use of the Turnpike System" without consent of all the holders of outstanding Turnpike bonds. The FDOT has also issued bonds to fund capital improvements to Alligator Alley.¹⁷

Section 5.08 of the Resolution is entitled "No Free Use of Florida Turnpike." In that section, the FDOT covenanted that it "shall not allow or permit any free use of the Toll roads of the Florida Turnpike, except to officials or employees of the Department whose official duties in connection with the Florida Turnpike require them to travel over the Florida's Turnpike, or except as may be provided by laws in effect on the date of the adoption of this Resolution." The resolution under which the Alligator Alley bonds were sold contains a similar covenant regarding the use of Alligator Alley.¹⁸

Disabled Veteran

The Department of Veterans Affairs (VA) uses a disability rating system to determine the level of compensation for veterans with service-connected disabilities. These ratings range from 0 percent to 100 percent, with higher percentages indicating more severe disabilities and greater compensation. VA disability ratings are based on the impact of a veteran's service-connected conditions on their ability to work and perform daily activities. The rating system is designed to

¹³ Sections 215.57 through 215.83, F.S.

¹⁴ Section 338.227(1), F.S. *FDOT Analysis* at 2.

¹⁵ Section 338.229, F.S., *FDOT Analysis* at 2.

¹⁶ See ss. 348.0313, 348.64, and 348.761, F.S.

¹⁷ *FDOT Analysis* at 2. Alligator Alley bonds are issued pursuant to s. 338.165(4), F.S.

¹⁸ *Id.*

provide financial support to veterans whose earning capacity has been reduced due to their service-related injuries or illnesses.¹⁹

Among the benefits Florida offers a 100 percent disabled veteran are exemptions from certain driver license and state ID card fees, disabled veteran license plates, and with a disabled veteran license plate, free parking at publicly-owned airports.²⁰

Purple Heart License Plates

The Purple Heart medal is presented to service members who have been wounded or killed as a result of enemy action while serving in the U.S. military. A Purple Heart is a solemn distinction and means a service member has greatly sacrificed themselves, or paid the ultimate price, while in the line of duty.²¹

Florida authorizes various military or veteran-related special license plates, including a special license plate for Purple Heart recipients. To receive the plate, one must apply to the Department of Highway Safety and Motor Vehicles (DHSMV), provide proof of being a Purple Heart medal recipient,²² and pay the appropriate motor vehicle license tax. The Purple Heart special license plate is stamped with the words “Purple Heart” and has the likeness of the Purple Heart medal on the plate.²³

Florida law also authorizes a Purple Heart special motorcycle license plate, issued in the same manner as the Purple Heart special license plate. The Purple Heart special motorcycle license plate is stamped with the term “Combat-wounded Veteran,” and has the term “Purple Heart” stamped on the plate and has the likeness of the Purple Heart medal appearing on the plate.²⁴

As of March 2025, there are 9,426 active Purple Heart license plate registrations in Florida.²⁵

III. Effect of Proposed Changes:

The bill exempts the following persons from paying tolls for the use of toll facilities:

- A person who has been determined by the United States Department of Veterans Affairs or its predecessor to have a service-connected 100 percent disability rating for compensation or

¹⁹ Benefits.com, *What a 100 VA Disability Rating Means For Your Career*, <https://benefits.com/veterans-disability/100-va-rating-work/> (last visited April 3, 2025).

²⁰ Florida Department of Veterans' Affairs, *Florida Veterans Benefits Guide 2025*, p. 13-15. <https://floridavets.org/wp-content/uploads/2012/08/FDVA-Benefits-Guide.pdf?v=2020r2> (last visited April 3, 2025).

²¹ USO, *9 Things You Need to Know About the Purple Heart Medal* <https://www.uso.org/stories/2276-8-purple-heart-facts> (last visited April 2, 2025).

²² A Purple Heart Medal recipient or un-remarried surviving spouse of a Purple Heart Medal recipient must provide proof from the U.S. Government of being a recipient of the Purple Heart Medal. Department of Highway Safety and Motor Vehicles, APPLICATION FOR MILITARY SERVICE-RELATED LICENSE PLATES, <https://www.flhsmv.gov/pdf/forms/83034.pdf> (last visited April 2, 2025).

²³ Section 320.089(1)(a), F.S.

²⁴ Section 320.0875, F.S.

²⁵ Department of Highway Safety and Motor Vehicles, *Specialty License Plates*, <https://www.flhsmv.gov/motor-vehicles-tags-titles/personalized-specialty-license-plates/specialty-license-plates/> (last visited April 2, 2025).

who has been determined to have a service-connected disability rating of 100 percent and is in receipt of disability retirement pay from any branch of the United States Armed Services.

- A person operating a motor vehicle displaying a Purple Heart specialty license plate or a motorcycle displaying a Purple Heart special motorcycle license plate.

To incorporate these toll exemptions, the bill reenacts s. 316.1001, F.S., providing that failure to pay a toll is a noncriminal traffic infraction, punishable as a moving violation.

The bill does not specify how the FDOT and other toll entities will implement these toll exemptions.

The bill takes effect July 1, 2025.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

Article VII, s. 18(b) of the Florida Constitution provides that, except upon the approval of each house of the Legislature by a two-thirds vote of the membership, the Legislature may not enact, amend, or repeal any general law if the anticipated effect of doing so would be to reduce the authority that municipalities or counties have to raise revenue in the aggregate, as such authority existed on February 1, 1989. Under the bill, 100 percent disabled veterans and persons with Purple Heart specialty license plates would be exempt from paying tolls to all toll facilities in the state, including those operated by municipalities and counties.

However, the mandate requirements do not apply to laws having an insignificant fiscal impact, which for Fiscal Year 2025-2026 is forecast at approximately \$2.4 million.^{26,27,28} The Revenue Estimating Conference (REC) determined that the bill may reduce revenues of local governments by \$5.9 million beginning in Fiscal Year 2025-2026.²⁹ If costs imposed by the bill exceed \$2.4 million, the mandates provisions may apply. If the bill does qualify as a mandate, in order to be binding upon cities and counties, the bill must be approved by a two-thirds vote of the membership of each house.

B. Public Records/Open Meetings Issues:

None.

²⁶ FLA. CONST. art. VII, s. 18(d).

²⁷ An insignificant fiscal impact is the amount not greater than the average statewide population for the applicable fiscal year times \$0.10. See Florida Senate Committee on Community Affairs, *Interim Report 2012-115: Insignificant Impact*, (Sept. 2011), available at <http://www.flsenate.gov/PublishedContent/Session/2012/InterimReports/2012-115ca.pdf> (last visited April 3, 2025).

²⁸ Based on the Florida Demographic Estimating Conference's February 4, 2025, population forecast for 2025 of 23,332,606. The conference packet is available at: https://edr.state.fl.us/content/conferences/population/ConferenceResults_Tables.pdf (last visited April 3, 2025).

²⁹ Revenue Estimating Conference, *2025 Revenue Impacts*, pp. 31-37. https://edr.state.fl.us/Content/conferences/revenueimpact/archives/2025/_pdf/impact0214.pdf (last visited April 3, 2025).

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:

Qualifying disabled veterans or persons with Purple Heart specialty license plates may experience a reduction in costs associated with no longer being required to pay tolls.

C. Government Sector Impact:

On February 14, 2025, the REC adopted the following consensus estimate for the toll exemption for disabled veterans:³⁰

| Fiscal Year | General Revenue - Recurring | State Trust- Recurring | Local - Recurring | Total – Recurring |
|-------------|-----------------------------|------------------------|-------------------|-------------------|
| 2025-2026 | \$0 | (\$10.4 million) | (\$5.6 million) | (\$16.0 million) |
| 2026-2027 | \$0 | (\$10.5 million) | (\$5.7 million) | (\$16.2 million) |
| 2027-2028 | \$0 | (\$10.7 million) | (\$5.7 million) | (\$16.4 million) |
| 2028-2029 | \$0 | (\$10.8 million) | (\$5.8 million) | (\$16.6 million) |
| 2029-2030 | \$0 | (\$10.9 million) | (\$5.9 million) | (\$16.8 million) |

On February 14, 2025, the REC adopted the following consensus estimate for the toll exemption for Purple Heart license plates:³¹

| Fiscal Year | General Revenue - Recurring | State Trust- Recurring | Local - Recurring | Total – Recurring |
|-------------|-----------------------------|------------------------|-------------------|-------------------|
| 2025-2026 | \$0 | (\$0.5 million) | (\$0.3 million) | (\$0.8 million) |
| 2026-2027 | \$0 | (\$0.5 million) | (\$0.3 million) | (\$0.8 million) |

³⁰ Revenue Estimating Conference, *2025 Revenue Impacts*, pp. 31-34.

https://edr.state.fl.us/Content/conferences/revenueimpact/archives/2025/_pdf/impact0214.pdf (last visited April 3, 2025).

³¹ *Id.* at 35-37.

| | | | | |
|-----------|-----|-----------------|-----------------|-----------------|
| 2027-2028 | \$0 | (\$0.5 million) | (\$0.3 million) | (\$0.8 million) |
| 2028-2029 | \$0 | (\$0.5 million) | (\$0.3 million) | (\$0.8 million) |
| 2029-2030 | \$0 | (\$0.5 million) | (\$0.3 million) | (\$0.8 million) |

The FDOT estimates that it will experience an indeterminate negative fiscal impact to recurring toll revenues. This negative impact on toll revenues will have a negative impact on the Florida Turnpike Enterprise's five-year capital plan.³²

The FDOT also estimates an indeterminate increase in its operation and maintenance costs associated with implementing these toll exemptions. Increase in operating costs would include providing a transponder at no cost to the recipients, certification and registration of eligible SunPass³³ account holders, system modifications for the program, and recurring administrative costs to monitor the program.³⁴

VI. Technical Deficiencies:

The bill refers to a Purple Heart *specialty* license plate, which does not exist. However, Florida offers a Purple Heart *special* license plate, which is limited to Purple Heart recipients who provide the required documentation.

VII. Related Issues:

The FDOT has indicated that since the Turnpike System leverages its revenue to accelerate projects through issuance of revenue bonds, any reduction in revenue prompts a reduction in the FDOT's Work Program and would require the FDOT's to remove transportation projects included in its current 5-year Work Program. It would also result in negative impacts on the economic feasibility of planned Turnpike projects. This reduction in toll revenue may prompt bond rating agencies to downgrade the FDOT's credit rating, resulting in higher interest rates and increased borrowing costs and would also likely reduce the FDOT's future bonding capacity.³⁵

VIII. Statutes Affected:

This bill substantially amends section 338.155 of the Florida Statutes.

This bill reenacts section 316.1001 of the Florida Statutes.

IX. Additional Information:

A. Committee Substitute – Statement of 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 April 10, 2025:

³² *FDOT Analysis*, p. 4.

³³ SunPass is Florida's electronic toll transponder.

³⁴ *FDOT Analysis*, p. 4

³⁵ *Id.* at 5.

- The committee substitute provides a toll exemption for a person operating a motor vehicle displaying a Purple Heart specialty license plate or a motorcycle displaying a Purple Heart special motorcycle license plate.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
