

**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 Committee on Transportation

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BILL: CS/SB 1274

INTRODUCER: Transportation Committee and Senator DiCeglie

SUBJECT: Transportation

DATE: February 11, 2026      REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Johnson	Vickers	TR	Fav/CS
2.			ATD	
3.			AP	

**Please see Section IX. for Additional Information:**

COMMITTEE SUBSTITUTE - Substantial Changes

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**I. Summary:**

CS/SB 1274 addresses a range of issues related to transportation. Specifically, the bill:

- Requires the Florida Department of Transportation (FDOT) to increase the minimum perception reaction time for each steady yellow signal located at an intersection with a traffic infraction detector by 0.4 seconds.
- Requires seaports located near spaceports using facilities to support space-related activities to annually submit a report on space-related activities to the chair of the Space Florida’s board of directors.
- Requires certain conditions to be met prior to seaports converting infrastructure used for space-related purposes to other purposes.
- Revises the definition of “micromobility device.”
- Authorizes automated license plate recognition systems to be used by private entities on private property and authorizes such entities to access motor vehicle registration data for specified purposes and provides penalties for unlawful access to such information.
- Authorizes counties and municipalities to set speed limits of less than 25 miles per hour on residential streets.
- Clarifies that a license plate is not obscured if a frame does not cover the license plate number or validation sticker.
- Authorizes FDOT to fund 100 percent of the cost of certain airport projects in rural communities.

- Requires FDOT to adopt rules establishing circumstances under which it may make direct payments to a first-tier subcontractor.
- Requires a takeover agreement between FDOT and a surety to require the replacement contractor to meet certain requirements.
- Establishes a Next-generation Traffic Signal Modernization Grant program and annually appropriates \$20 million for the program.

This bill may have a fiscal impact on the private and government sectors. See Section V., Fiscal Analysis Section for details.

This bill takes effect July 1, 2026.

## 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:

### Steady Yellow Traffic Signals (Section 1)

#### *Present Situation*

The Florida Department of Transportation (FDOT) is required to adopt a uniform system of traffic control devices for use on the state's streets and highways.<sup>1</sup> To meet this requirement, FDOT has adopted the Federal Highway Administration's Manual on Uniform Traffic Control Devices (MUTCD).<sup>2</sup>

The MUTCD provides that the duration of yellow change intervals should be determined using engineering practices, with a minimum duration of three seconds and a maximum duration of six seconds.<sup>3</sup> FDOT uses an engineering formula to determine the appropriate yellow change intervals for a particular traffic signal. This formula is based on various inputs, including perception reaction time,<sup>4</sup> approach speed (speed limit), and the grade (slope) of the road.<sup>5</sup>

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<sup>1</sup> Section 316.0745(1), F.S.

<sup>2</sup> Rule 14-15.010, F.A.C. (adopting the Dec. 2023 version of the MUTCD); *see also* U.S. Department of Transportation, Federal Highway Administration (FHWA), *Manual on Uniform Control Devices (MUTCD)* 11th ed. (Dec. 2023), available at [https://mutcd.fhwa.dot.gov/kno\\_11th\\_Edition.htm](https://mutcd.fhwa.dot.gov/kno_11th_Edition.htm) (last visited February 3, 2026).

<sup>3</sup> Federal Highway Administration, *MUTCD*, section 4F.17, "Yellow Change and Red Clearance Intervals," 11th ed. (Dec. 2026), available at [https://mutcd.fhwa.dot.gov/pdfs/11th\\_Edition/part4.pdf](https://mutcd.fhwa.dot.gov/pdfs/11th_Edition/part4.pdf) (February 3, 2026).

<sup>4</sup> *See, e.g.*, Marc Green, Ph.D., *Let's Get Real About Perception-Response Time*, available at <https://www.visualexpert.com/Resources/realprt.html> (last visited February 3, 2026).

<sup>5</sup> Florida Department of Transportation (FDOT), *Traffic Engineering Manual*, section 3.6.2. [https://fdotwww.blob.core.windows.net/sitefinity/docs/default-source/traffic/trafficservices/studies/tem/tem-2026/2026-tem--chapter-3---signals.pdf?sfvrsn=38939043\\_2](https://fdotwww.blob.core.windows.net/sitefinity/docs/default-source/traffic/trafficservices/studies/tem/tem-2026/2026-tem--chapter-3---signals.pdf?sfvrsn=38939043_2) (last visited February 3, 2026).

### *Perception-Reaction Time*

The term “perception-reaction time” (PRT), is defined to mean the total time it takes a driver to begin an appropriate response to an impending obstacle or hazard.<sup>6</sup> Historically, FDOT calculated its yellow light intervals using a PRT of 1.0 seconds in accordance with accepted industry standards. In 2013, FDOT increased the PRT in its calculation to 1.4 seconds, based on research showing that the 85th percentile PRT value in the driver population was 1.33 seconds.<sup>7</sup>

### *Traffic Infraction Detectors*

Traffic infraction detectors, commonly known as red light cameras, are vehicle sensor installed to work in conjunction with a traffic control signal and a camera or cameras synchronized to automatically record two or more sequenced photographic or electronic images or streaming video of only the rear of a motor vehicle at the time the vehicle fails to stop behind the stop bar or clearly marked stop line when facing a traffic control signal steady red light.<sup>8</sup>

As of June 30, 2025, 42 counties and municipalities had 496 active traffic infraction detectors deployed at 302 intersections.<sup>9</sup>

### *Effect of Proposed Changes*

The bill requires FDOT to increase the minimum perception reaction time by 0.4 seconds for each yellow signal located at an intersection equipped with a traffic infraction detector.

## **Seaport – Cargo Facilities (Section 2)**

### *Present Situation*

Florida’s seaports include 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>

### *Spaceport Territory*

Florida law defines the term “spaceport” to mean any area of land or water developed by Space Florida and intended for public use or for the launching, takeoff, and landing of spacecraft and

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<sup>6</sup> Marc Green, Ph.D., *Let’s Get Real About Perception-Response Time*, available at <https://www.visualexpert.com/Resources/realprt.html> (last visited February 3, 2026).

<sup>7</sup> FDOT, Traffic Operations Bulletin 02-13, Standardization of Yellow Change Intervals for Signalized Intersections, May 31, 2013, available at [https://fdotwww.blob.core.windows.net/sitefinity/docs/default-source/content/traffic/doc\\_library/pdf/traffic-operations-bulletin-02-13.pdf?sfvrsn=ba1d34f0\\_0](https://fdotwww.blob.core.windows.net/sitefinity/docs/default-source/content/traffic/doc_library/pdf/traffic-operations-bulletin-02-13.pdf?sfvrsn=ba1d34f0_0) (last visited February 3, 2026).

<sup>8</sup> Section 316.003(101), F.S.

<sup>9</sup> Florida Department of Highway Safety and Motor Vehicles, *Red Light Camera Programs, Fiscal Year 2024-2025 Summary Report*, December 2025, p. 2. <https://www.flhsmv.gov/pdf/cabinetreports/redlightcameraanalysis2025.pdf> (last visited February 9, 2026).

<sup>10</sup> Section 311.09(1), F.S.

aircraft, and includes any appurtenant areas which are used or intended for public use, for spaceport buildings, or for other spaceport facilities, spaceport projects, or rights-of-way.<sup>11</sup>

Florida law designates certain real property within the state as spaceport territory, including Cape Canaveral Spaceport in Brevard County, Cecil Spaceport in Duval County, Eglin Air Force Base in Okaloosa County, Cape San Blas in Gulf County, Space Coast Regional Airport and Spaceport in Brevard County, Homestead Air Reserve Base in Miami-Dade County, and Tyndall Air Force Base in Bay County.<sup>12</sup>

### *Space Florida*

Space Florida was established as an independent special district to foster the growth and development of a sustainable and world-leading aerospace industry in this state. Space Florida is tasked with promoting aerospace business development by facilitating business financing, spaceport operations, research and development, workforce development, and innovative education programs.<sup>13</sup>

### *Seaport Support for Spaceports*

Section 311.10(4), F.S., provides that as a condition of receiving a project grant under any state seaport program and as a condition of receiving state funds, a seaport located in a county which contains spaceport territory that uses land, facilities, or infrastructure to support spacecraft launch and recovery operations must, in any agreement with FDOT, agree that the seaport may not convert any planned or existing land, facility, or infrastructure that supports cargo purposes<sup>14</sup> to any alternative purpose unless the conversion is approved by the seaport's governing board. This approval must take place at a publicly noticed meeting as a separate line on the agenda and with a reasonable opportunity for public comment. The Legislature must expressly approve the use of state funds for a project that includes such a conversion, whether by an amendment to FDOT's a work program or through the General Appropriations Act.

### *Effect of Proposed Changes*

The bill amends s. 311.15, F.S., to provide requirements for seaports that are located in counties with designated spaceport territory and that use land, facilities, or infrastructure for the purpose of supporting spacecraft launch and recovery operations. Each applicable seaport:

- Beginning February 1, 2027, and each February 1 thereafter, must submit to the chair of Space Florida's board of directors and post on its website a report describing all measures the seaport has taken to support the commercial space launch industry.<sup>15</sup>

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<sup>11</sup> Section 331.303(17), F.S.

<sup>12</sup> Section 331.304, F.S.

<sup>13</sup> Section 331.302(1), F.S.

<sup>14</sup> As used in s. 311.10(4), F.S., the term "cargo purposes" includes, but is not limited to, any facility, activity, property, energy source, or infrastructure asset that supports spaceport activities.

<sup>15</sup> The bill defines the term "commercial space launch industry" to mean "any company substantially engaged in the transport, operation, and recovery of space launch or landing services with active maritime operations."

- May not convert any planned or existing land, facility, or infrastructure that supports cargo purposes<sup>16</sup> to any alternative purpose unless all of the following conditions are met:
  - The governing board of the seaport provides public notice<sup>17</sup> at least 30 days before holding a public meeting on the proposed conversion.
  - The governing board of the seaport must, at least 30 days before holding a public meeting on the proposed conversion, prominently post on the seaport’s website a report estimating the impact of the conversion on the seaport’s cargo operations.
  - The conversion is approved by a two-thirds vote of the governing board of the seaport at a publicly noticed meeting. This must be done as a separate item on the meeting agenda and with a reasonable opportunity for public comment.

The bill requires the Legislature to expressly approve the use of state funds for any seaport projects that includes the conversion of any planned or existing land, facility, or infrastructure that supports cargo purposes to an alternative purpose. This approval may be done through an amendment to FDOT’s work program or through the General Appropriations Act.

### **Micromobility Devices (Section 3)**

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

Florida law defines the term “micromobility device” to mean a motorized transportation device designed for individual use which is typically 20 to 36 inches in width and 50 pounds or less in weight and which operates at a speed of typically less than 15 miles per hour but no more than 28 miles per hour. This term includes both a human-powered and a nonhuman-powered device such as a bicycle, electric bicycle, motorized scooter, or any other device that is owned by an individual or part of a shared fleet.<sup>18</sup>

Operators of micromobility devices have all of the rights and duties applicable to riders of a bicycles<sup>19</sup> except those duties, which by their nature do not apply. However, this does not prevent a local government from adopting an ordinance governing the operation of micromobility devices on streets, highways, sidewalks, and sidewalk areas under its jurisdiction.<sup>20</sup>

A micromobility device is not required to be licensed, registered, or insured.<sup>21</sup> Similarly, the operator of a micromobility device is not required to possess a driver’s license.<sup>22</sup>

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<sup>16</sup> The bill amends the definition of the term “cargo purposes” to mean “any facility, activity, property, energy source, or infrastructure asset that is not intended to facilitate the transport of passengers and includes, but is not limited to, such facilities, activities, properties, energy sources, or infrastructure assets that support spaceport activities.”

<sup>17</sup> The public notice required by the bill must conform to the requirements of s. 50.011, F.S., regarding publication of civil legal notices.

<sup>18</sup> Section 316.003(41), F.S.

<sup>19</sup> This is pursuant to s. 316.2065, F.S.

<sup>20</sup> Section 316.2128(1), F.S.

<sup>21</sup> Section 316.2128(2), F.S.

<sup>22</sup> Section 316.2128(3), F.S.

### *Effect of Proposed Changes*

The bill amends s. 316.003, F.S., to amend the definition of “micromobility device” to provide that the term includes devices such as electric bicycles and motorized scooters. The bill also removes the provision that a micromobility device may be any other device owned by an individual or part of a shared fleet.

### **Automated License Plate Recognition Systems (Section 4)**

#### *Present Situation*

An automatic license plate recognition system (ALPRS) uses one or more mobile or fixed high-speed cameras combined with computer algorithms to convert images of license plates into computer-readable data.<sup>23</sup> ALPRS scan and capture optical license plate information, and can store the digital image of the license plate, the time, date, location of the image capture, and the capturing camera information.<sup>24</sup> Stored ALPR data does not include any personal identifying information of individuals associated with the license plate.<sup>25</sup> Obtaining personal information associated with license plate information requires a separate, legally authorized, inquiry to another restricted-access database.<sup>26</sup>

Historically, law enforcement has used ALPRS to compare and identify vehicles for law enforcement purposes such as detection, identification, and recovery of stolen vehicles, wanted persons, missing or endangered persons, and persons wanted for crimes.<sup>27</sup>

Florida law authorizes ALPRS to be installed within FDOT’s right-of-way at the request of a law enforcement agency and for the purpose of collecting active criminal intelligence information or active criminal investigative information.<sup>28</sup> However, an ALPR cannot be used to issue a notice of violation for a traffic infraction or a uniform traffic citation.<sup>29</sup>

Some private ALPRS companies compile data into a private database, sometimes in combination with AI-powered recognition technology, and partner with local governments and law enforcement agencies to install and gain access to their private database.<sup>30</sup>

Florida law provides that records gathered by law enforcement agencies that contains images and data generated through the use of an ALPRS is subject to the retention schedule established by

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<sup>23</sup> Section 316.0777, F.S.

<sup>24</sup> Criminal and Juvenile Justice Information System, *Guidelines for the Use of Automated License Plate Readers*, Nov. 13, 2024, at page 1, available at <https://www.fdle.state.fl.us/getContentAsset/dcdfae6a-0ec7-45e8-9112-b21f0d3415bb/73aabf56-e6e5-4330-95a3-5f2a270a1d2b/CJJIS-Council-ALPR-Guidelines-Revised-Approved-on-11-13-2024.pdf?language=en> (last visited February 2, 2026).

<sup>25</sup> *Id.*

<sup>26</sup> *Id.*

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

<sup>28</sup> Section 316.0777(2)(b), F.S. FDOT’s must consent to the installation of a reader on the State Highway System.

<sup>29</sup> *Id.*

<sup>30</sup> Jeff Burlow, *TPD confirms use of controversial Flock cameras amid commission concerns*, Tallahassee Democrat, (Dec. 12, 2025), <https://www.tallahassee.com/story/news/local/2025/12/12/tallahassee-police-department-confirms-use-of-flock-cameras-license-plate-readers/87721042007/> (last visited February 3, 2026).

the Department of State.<sup>31</sup> The retention period for such information is prescribed by rule and requires license plate recognition records to be retained until obsolete, superseded, or their administrative value is lost, but for no longer than three years unless retention is otherwise required.<sup>32</sup>

#### *Motor Vehicle Registration Data*

The Department of Highway Safety and Motor Vehicles (DHSMV) maintains the Driver and Vehicle Information Database (DAVID), a multifaceted database that affords immediate retrieval of driver and motor vehicle information.<sup>33</sup> Personal information stored in DAVID is protected by the federal Driver's Privacy Protection Act (DPPA),<sup>34</sup> which restricts access to such records with specified exceptions, such as a law enforcement agency acting in its official capacity to carry out its duties.<sup>35</sup> Other authorized uses of such data are:

- In connection with matters of motor vehicle or driver safety and theft.
- In the normal course of business by a legitimate business to verify the accuracy of personal information submitted by the individual or to obtain the correct information, but only for certain purposes.
- In connection with any civil, criminal, administrative, or arbitral proceeding in any court or agency or before any self-regulatory body.
- in research activities, and for use in producing statistical reports.
- For certain insurance-related purposes.
- In providing notice to the owners of towed or impounded vehicles.
- By any licensed private investigative agency or licensed security service.
- By an employer or its agent or insurer to obtain or verify information relating to a commercial driver's license.
- In connection with the operation of private toll transportation facilities.
- With the consent of the person to whom such personal information pertains.
- For any other use specifically authorized under a state law, if such use is related to the operation of a motor vehicle or public safety.<sup>36</sup>

#### *Parking on Private Property*

Section 705.075, F.S., authorizes the owner or operator of a private property used for motor vehicle parking to establish rules and rates governing private persons parking motor vehicles on such private property, including changes for violating the owner or operators rules. This statute provides notice and invoice requirements and a method to dispute and appeal the invoice.<sup>37</sup>

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<sup>31</sup> Section 316.0778(2), F.S. The Department of State must establish a retention schedule for records containing images and data generated through the use of an automated license plate recognition system.

<sup>32</sup> Rule 1B-24.003, F.A.C.

<sup>33</sup> DHSMV, *Driver and Vehicle Information Database (DAVID)*, <https://www.flhsmv.gov/courts-enforcement/david/> (last visited February 3, 2026).

<sup>34</sup> 18 U.S.C. § 2721.

<sup>35</sup> DHSMV, *Driver Privacy Protection Act*, <https://www.flhsmv.gov/privacy-statement/driver-privacy-protection-act/> (last visited January 3, 2026).

<sup>36</sup> 18 USC 2721(b)

<sup>37</sup> Certain portions of this s. 705.075 do not apply to theme parks or entertainment complexes. If certain conditions are met, s. 705.075 does not apply to lodging parks, mobile home parks, or recreational vehicle parks.

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

The bill amends s. 316.0777, F.S., to authorize a private entity to install an automated license plate recognition system solely for use on and within the property it owns or controls for a public safety-related purpose or in connection with controlling access to or enforcement of access to public or private property. A private entity that installs such a system:

- May not access vehicle registration data generated by the system, except to the extent permitted by the Driver's Privacy Protection Act, s. 715.075, F.S., relating to parking on private property, or for the limited purpose of providing notice to vehicle owners that they failed to pay for parking and that such failure has resulted in a fine.
- May not share or sell images or data generated by the system, except to the extent required to respond to a lawful request from a law enforcement agency or to the extent sharing is required for public safety or access control purposes.
- Must contractually obligate any third party that installs, maintains, or operates the system to protect the images or data generated by the systems from disclosure, including a prohibition on sharing or selling such images or data, except to the extent authorized above.
- May not offer or provide as payment or other consideration any portion of the proceeds derived from a fine or charge imposed based on images or data generated by the system to any third party that installs, operates, or maintains the system, except to the extent the system is used in connection with controlling access to or enforcement of access to public or private property.

The bill also provides that an individual who uses or releases such information for a purpose that is not specifically authorized commits a noncriminal infraction, punishable by a fine not exceeding \$2,000.

### **Residential Speed Limits (Sections 5 and 6)**

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

Florida law also prescribes maximum speed limits for all streets and highways and provides that the maximum speed limit for all vehicles in residence districts must be 30 miles per hour in counties and municipalities.<sup>38</sup> However, for vehicles in residence districts, counties and municipalities may set a lower maximum speed limit of 20 or 25 miles per hour after an investigation determines that a lower speed limit is reasonable.<sup>39</sup>

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

The bill amends ss. 316.183 and 316.189, F.S., to authorize counties and municipalities to set lower speed limits at any level below the maximum speed limit prescribed by law for local streets and highways in a residence district. The county or municipality must conduct an investigation to determine that the lower speed limit is reasonable.

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<sup>38</sup> Sections 316.183(2) and 316.189(1), F.S.

<sup>39</sup> *Id.*

## License Plate Frames (Section 7)

### *Present Situation*

Florida law requires license plates to be displayed in such a way that certain identifying information is plainly visible and legible.<sup>40</sup> Florida law also prohibits a person from applying or attaching something onto or around a license plate which interferes with the legibility, angular visibility, or detectability, or interferes with the ability to record, any feature or detail on the license plate.<sup>41</sup>

As of October 1, 2025, Florida law provides that it is a criminal offense to purchase, possess, manufacture, sell, distribute, or use to assist in committing a crime a license plate obscuring device.<sup>42</sup> For purchasing or possessing such a device it is a misdemeanor of the second degree punishable of a term of imprisonment not exceeding 60 days<sup>43</sup> or a fine not to exceed \$500.<sup>44</sup>

For this purpose, the term “license plate obscuring device” is defined to mean a device designed or adapted to be installed on a motor vehicle for the purpose of:

- Switching between two or more license plates to permit a motor vehicle operator to change the license plate displayed on the motor vehicle;
- Hiding a license plate from view by flipping the license plate so that the license plate number is not visible;
- Covering, obscuring, or otherwise interfering with the legibility, angular visibility, or detectability of the primary features or details, including the license plate number or validation sticker, on the license plate; or
- Interfering with the ability to record the primary features or details, including the license plate number or validation sticker, on the license plate.<sup>45</sup>

After the 2025 law went into effect, there was some confusion regarding the legality of certain license plate frames.<sup>46</sup> In December 2025, DHSMV issued guidance regarding license plate frames. That guidance indicated that it does not prohibit such license plate frame as long as the frame does not obscure visibility of the following:

- The alpha numeric plate identifier;
- The decal in the top right hand corner of the license plate.<sup>47</sup>

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<sup>40</sup> Section 316.605(1), F.S.

<sup>41</sup> Section 320.061, F.S.

<sup>42</sup> Section 320.262, F.S.

<sup>43</sup> Section 775.082(4)(b), F.S.

<sup>44</sup> Section 775.083(1)(e), F.S.

<sup>45</sup> Section 320.262(1), F.S.

<sup>46</sup> See e.g., Tim Wronka, *Is your license plate frame illegal? Florida clarifies new plate law.*

<https://baynews9.com/fl/tampa/news/2025/12/22/is-your-license-plate-frame-illegal--florida-clarifies-new-plate-law-> (last visited February 9, 2026).

<sup>47</sup> Memorandum from Dave Kerner, Executive Director, DHSMV, to all Florida Law Enforcement Agencies, Obscured License Plates, December 12, 2026. (On file with Senate Committee on Transportation).

***Effect of Proposed Changes***

The bill amends s. 320.262, F.S., to provide that the use of a license plate frame or decorative border device is not a criminal offense, provided the device does not obscure the visibility of the following:

- The alphanumeric designation or license plate number.
- The registration decal or validation sticker in the upper right corner of the plate.

**FDOT Funding for Rural Airports (Section 8)*****Present Situation***

## FDOT Aviation Funding

Florida law authorizes FDOT to, subject to appropriation, to fund up to 100 percent of eligible project costs of all of the following at a public-use airport<sup>48</sup> located in a rural community which does not have any scheduled commercial service:

- The capital cost of runway and taxiway projects that add capacity. Such projects must be prioritized based on the amount of available nonstate matching funds.
- Economic development transportation projects.<sup>49</sup>

FDOT must allocate any remaining funds for projects specified in s. 332.007(6), F.S., relating to aviation development projects.<sup>50</sup>

***Rural Communities***

Florida law 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 described above.
- 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 Florida Department of Commerce.<sup>51</sup>

Florida law defines the term “rural area of opportunity” (RAO) to mean a rural community, or a region composed of rural communities, designated by the Governor, which has been adversely affected by an extraordinary economic event, severe or chronic distress, or a natural disaster or

<sup>48</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>49</sup> Economic development transportation projects are administered pursuant to s. 339.2821, F.S.

<sup>50</sup> Section 332.007(10), F.S.

<sup>51</sup> Section 288.0656(2)(e), F.S. Population is determine based on the state’s official population estimate pursuant to s. 186.901, F.S.

that presents a unique economic development opportunity of regional impact.<sup>52</sup> Florida has three RAOs, the Northwest RAO, the North Central RAO, and the South Central RAO.<sup>53</sup>

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

The bill amends s. 332.007, F.S., to authorize FDOT to fund up to 100 percent of eligible project costs of projects at public-use airports located in a rural community which does not have any scheduled commercial service. The bill prohibits FDOT from requiring matching funds for any eligible project at such airports located in RAOs. These funds may be provided as matching funds for eligible projects funded by the Federal Government or any state agency.

## **FDOT Contracting Authority (Section 9)**

### ***Present Situation***

#### *Florida Prompt Payment Act*

Florida law has several “Prompt Payment Acts” regulating various aspects of payments connected to construction projects and services. Part VII of ch. 218, F.S., addresses payment for local government construction projects. Chapter 255, F.S., governs payments connected to state agency construction projects, and payments for private construction projects are regulated in chs. 713 and 715, F.S.

#### Prompt Payment Act for State Construction Projects

Sections 255.0705 - 255.078, F.S., known as the Florida Prompt Payment Act, governs the timely payment for construction services by the state or any agency thereof (public entity).<sup>54</sup> This act also governs payments made by contractors to subcontractors and suppliers when the construction services are in connection with a public entity construction project.

#### Payment Deadline for Public Entity to Contractor

For public entities contracting with a prime contractor, the public entity must submit the contractor’s request to the Chief Financial Officer within 14 days of receiving the payment application.<sup>55</sup> If a public entity disputes a portion of a payment request, the undisputed portion must be paid by the date required under the contract or by 20 business days after receipt of the request, whichever is earlier.<sup>56</sup>

When a contractor receives payment from a public entity for labor, services, or materials furnished by subcontractors and suppliers hired by the contractor, the contractor is required to remit payment due to those subcontractors and suppliers within 10 days after the contractor’s receipt of payment.<sup>57</sup> When a subcontractor receives payment from a contractor for labor,

<sup>52</sup> Section 288.0656(2)(d), F.S.

<sup>53</sup> Florida Department of Commerce, Office of Rural Initiatives, <https://www.floridajobs.org/community-planning-and-development/office-of-rural-initiatives> (last visited February 9, 2026).

<sup>54</sup> Section 255.072, F.S., defines the term “public entity” to mean the state, or any office, board, bureau, commission, department, branch, division, or institution thereof, but does not include a local governmental entity as defined in s. 218.72, F.S.

<sup>55</sup> Section 255.074, F.S.

<sup>56</sup> Section 255.073(2), F.S.

<sup>57</sup> Section 255.073(3), F.S.

services, or materials furnished by subcontractors and suppliers hired by the subcontractor, the subcontractor is required to remit payment due to those subcontractors and suppliers within 7 days after the subcontractor's receipt of payment.<sup>58</sup>

#### Penalties for Late Payment

All payments due for the purchase of construction services under the Florida Prompt Payment Act and wrongfully withheld by a public entity or prime contractor bear statutorily imposed interest at the rate of 2 percent per month.<sup>59</sup>

#### *FDOT Contracting Authority*

Section 337.11, F.S., authorizes FDOT to enter into contracts for the construction and maintenance of roads and related facilities under its jurisdiction.<sup>60</sup>

Every contract let by FDOT for the performance of work must require the prime contractor, before receiving any progress payment under such contract, to certify that the prime contractor has disbursed to all of its subcontractors and suppliers their pro rata shares of the payment out of previous progress payments received by the prime contractor for all work completed and materials furnished in the previous period,<sup>61</sup> as FDOT approved payment. FDOT may not make any such progress payment before receiving such certification, unless the contractor demonstrates good cause for not making any such required payment and furnishes written notification of any such good cause to both FDOT and the affected subcontractors and suppliers.<sup>62</sup>

Every contract let by FDOT for the performance of work must require the prime contractor, within 30 days of receipt of the final progress payment or any other payments received thereafter except the final payment, to pay all of its subcontractors and suppliers their pro rata shares of the payment for all work completed and materials furnished, unless the contractor demonstrates good cause for not making any such required payment and furnishes written notification of any such good cause to both FDOT and the affected subcontractors or suppliers within such 30-day period.<sup>63</sup>

#### *Effect of Proposed Changes*

The bill amends s. 337.11, F.S., to require FDOT to adopt rules establishing circumstances under which it may make direct payments to first-tier subcontractors. Such circumstances must include all of the following:

- The contractor has not requested payment from FDOT for the past six months.

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<sup>58</sup> *Id.* A contractor or subcontractor is still permitted to dispute, pursuant to the terms of the relevant contract, all or any portion of a payment alleged to be due to another party if the contractor or subcontractor notifies the party whose payment is disputed, in writing, of the amount in dispute and the actions required to cure the dispute. The contractor or subcontractor must pay all undisputed amounts due within the time limits imposed by this subsection.

<sup>59</sup> Section 255.073(4), F.S.

<sup>60</sup> Section 337.11(1), F.S.

<sup>61</sup> This is less any retainage withheld by the prime contractor pursuant to an agreement with a subcontractor.

<sup>62</sup> Section 337.11(11)(a), F.S.

<sup>63</sup> Section 337.11(11)(b), F.S.

- There is a binding, written subcontract between the contractor and the subcontractor, and FDOT is in possession of a complete copy of the subcontract.
- The subcontractor has performed work that is unpaid by the subcontractor, and FDOT has sufficient documentation of such unpaid work.
- There is no bona fide, documented dispute between the contractor and the subcontractor.

The amounts FDOT pays to the subcontractor must be deducted from amounts otherwise due to the contractor.

## **Surety Bonds for FDOT Construction and Contracts (Section 10)**

### ***Present Situation***

Section 337.18, F.S., requires a surety bond of the successful bidder in an amount equal to the awarded contract price for a FDOT contract. However, in limited circumstances, FDOT has the discretion to authorize phased bonding or waive all or a portion of the bond requirement.<sup>64</sup>

FDOT's contracts must provide for the determination of default on the part of any contractor for cause attributable to such contractor. FDOT is not liable for anticipated profits for unfinished work on a contract which it has determined to be in default.<sup>65</sup>

Section 337.14, F.S., requires FDOT to prequalify any contractor wishing to bid on a contract in excess of \$250,000. Rule 14-22, F.A.C., provides FDOT's rules regarding obtaining a certificate of qualification.

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

The bill amends s. 337.18(6), F.S., to provide that if, due to a default by the contractor, FDOT and the surety enter into a takeover agreement, such agreement must require the surety's completion contractor to meet the certification of qualification requirements in the original contract's bid solicitation. The bill also requires the surety to follow the contract's procedures regarding the certification of disbursement of payment to the subcontractors.

## **Next-generation Traffic Signal Modernization Grant Program (Section 11)**

### ***Present Situation***

In 2025, the Legislature created the Next-generation Traffic Signal Modernization Program. The program's purpose is to increase traffic signal interconnectivity and provide real-time traffic optimization to improve traffic flow and enhance safety. The program must:

- Provide for retrofitting existing traffic signals and controllers and providing a communication backbone for remote and automated operations and management of such signals on the State Highway System and the nonstate highway system.
- Prioritize signal upgrades based on average annual daily traffic and the impact of adding to an existing interconnected system.

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<sup>64</sup> Section 337.18(1)(a), F.S.

<sup>65</sup> Section 337.18(2), F.S.

- Use at least one advanced traffic management platform that uses state-of-the-art technology and that complies with leading cybersecurity standards, such as SOC 2 and ISO 27001, ensuring robust data protection.<sup>66</sup>

### *Effect of Proposed Changes*

The bill substantially rewrites s. 339.85, F.S., to create a Next-generation Traffic Signal Modernization Grant Program, replacing the existing program.

The bill requires FDOT to implement a Next-generation Traffic Signalization Modernization Grant Program to assist counties and municipalities in upgrading eligible signalized intersections with artificial intelligence-and machine learning-enabled detection, controllers, communications, and software that prioritizes modernization in key corridors across the state.

The bill requires FDOT to implement a state-local partnership through a cost-sharing arrangement to authorizes FDOT to fund:

- Up to 80 percent of eligible costs for first-year pilot corridors, with a minimum 20 percent contribution.
- Fifty percent of ensuing year research, development, and installation.

The bill provides that after signal modernization, the local government and the vendor are responsible for the ongoing maintenance of the signal.

The bill authorizes FDOT to waive any local match requirement for state-owned or state-operated intersections.

The bill requires FDOT to prioritize grant applications for intersections at which a signal modernization will measurably:

- Reduce average control delay and corridor travel times.
- Improve surrogate safety measures<sup>67</sup> and support emergency vehicle preemption.
- Provide transit signal priority and multimodal benefits to pedestrians and cyclists.

The bill requires FDOT to use competitive procurement<sup>68</sup> to find a vendor or vendors that use state-of-the-art technology that complies with leading cybersecurity standards<sup>69</sup> ensuring robust data protection. The program must also:

- Require open, interoperable, and secure systems that avoid vendor lock in and protect cybersecurity.
- Ensure data transparency through standardized performance dashboards and annual public reports demonstrating benefits relative to cost.
- Coordinate with metropolitan planning organizations, regional traffic management centers, law enforcement, fire rescue, and transit agencies to maximize systemwide benefits.

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<sup>66</sup> See ch. 2025-149, Laws of Fla., codified at s. 338.95, F.S.

<sup>67</sup> Surrogate safety measures include failures to stop at red lights and hard-braking events.

<sup>68</sup> This is as provided in ch. 287, F.S.

<sup>69</sup> These security standards include SOC 2 and ISO 27001.

- Encourage use of state-based pilots, sandboxes, and independent evaluations to validate performance before large-scale rollout.
- Support workforce development and local operations staff training so upgrades remain effective over the life of the equipment.

Beginning in fiscal year 2026-2027, the bill annually appropriates \$20 million from the State Transportation Trust Fund to FDOT to fund the Next-generation Traffic Signal Modernization Grant Program.

#### **Effective Date (Section 12)**

This bill takes effect July 1, 2026.

#### **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 identified.

#### **V. Fiscal Impact Statement:**

##### **A. Tax/Fee Issues:**

None.

##### **B. Private Sector Impact:**

Authorizing private entities to install automated license plate recognition systems on their property may have a positive indeterminate fiscal impact on vendors of such systems.  
(Section 4)

Authorizing FDOT to directly pay subcontractors if specified conditions are met may have a positive fiscal impact on such subcontractors. However, the amount is indeterminate. (Section 12)

**C. Government Sector Impact:**

FDOT will incur costs associated with adjusting the length of yellow lights at each intersection with a traffic infraction detector. However, this cost is indeterminate. (Section 1)

Eligible public use airports may find it easier to fund projects due to the changes in FDOT's funding authority regarding those airports. (Section 8)

Beginning in fiscal year 2026-2027, the bill annually appropriates \$20 million from the State Transportation Trust Fund to FDOT to fund the Next Generation Traffic Signal Modernization Grant Program. (Section 12)

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 311.10, 316.003, 316.0777, 316.183, 316.189, 320.262, 332.007, 337.11, 337.18, and 339.85.

This bill creates the following sections of the Florida Statutes: 311.15.

This bill creates one undesignated section of the 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 by Transportation on February 10, 2026:**

The committee substitute:

- Removes from the bill provisions relating to the International Fuel Tax Agreement, off-highway vehicles, motor vehicle noise prohibitions, golf cart conversions, and digital driver licenses and identification cards.
- Limits the increase to yellow light times to intersections with traffic infraction detectors.
- Revises the authorized use of automated license plate recognition systems by private entities on private property to control or enforce access to such property and

authorizes such entities to access motor vehicle registration information for specified purposes.

- Authorizes counties and municipalities to set speed limits of less than 25 miles per hour on residential streets.
- Clarifies that a license plate is not obscured if a frame does not cover the license plate number or validation sticker.
- Authorizes FDOT to fund 100 percent of the cost of certain airport projects in rural communities.
- Revises provisions relating to FDOT making direct payments to first-tier subcontractors and requirements governing a takeover agreement between FDOT and a surety.
- Removes legislative findings from the traffic signal modernization grant program.

**B. Amendments:**

None.