By Senator Broxson

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A bill to be entitled An act relating to underground facility damage prevention and safety; amending s. 556.102, F.S.; defining terms; amending s. 556.105, F.S.; changing the number of days' notice an excavator must provide to the free-access notification system before beginning any excavation or demolition; amending s. 556.107, F.S.; repealing provisions regarding citations for specified noncriminal infractions; creating an underground facility damage prevention review panel; providing the membership of the review panel; specifying the term limits of the review panel; requiring Sunshine State One-Call of Florida, Inc., to provide support to the panel; specifying how the review panel will be funded; providing dates by which alleged violations must be reported; providing a hearing process to allow the review panel to hear complaints regarding certain alleged violations; specifying the civil penalties that the review panel may assess; providing a review process through the Division of Administrative Hearings for infractions not resolved by the review panel; specifying a criminal penalty for any person who removes or damages permanent underground facility markers under certain circumstances; amending s. 556.114, F.S.; authorizing member operators to place permanent markers for certain purposes; amending s. 556.116, F.S.; conforming provisions to changes made by the act; providing an effective date.

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Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 556.102, Florida Statutes, is amended to read:

556.102 Definitions.—As used in this act:

- (1) "Board of directors" or "board" means the board of directors of the corporation.
- (2) (1) "Business days" means Monday through Friday, excluding the following holidays: New Year's Day, Birthday of Dr. Martin Luther King, Jr., Memorial Day, Independence Day, Labor Day, Thanksgiving Day and the following Friday, Christmas Eve, and Christmas Day. Any such holiday that falls on a Saturday shall be observed on the preceding Friday. Any such holiday that falls on a Sunday shall be observed on the following Monday.
- (3) "Business hours" means the hours of a day during which the system is open for business.
- (4) "Corporation" means Sunshine State One-Call of Florida, Inc.
- (5)(3) "Damage" means any impact upon or contact with, including, without limitation, penetrating, striking, scraping, displacing, or denting, however slight, the protective coating, housing, or other protective devices of any underground facility, or the removal or weakening of any lateral or vertical support from any underground facility, or the severance, partial or complete, of any underground facility.
- (6)(4) "Demolish" or "demolition" means any operation by which a structure or mass of material is wrecked, razed, rended,

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moved, or removed by means of any tool, equipment, or discharge of explosives, or any disturbance of the earth in any manner on public or private lands which could damage any underground facility.

- (7) (5) "Design services" means services that may be provided by a member operator to a design engineer, architect, surveyor, or planner, if the presence of underground facilities is known to a member operator, upon payment of a fee to the member operator, which services may be based on:
- (a) Information obtained solely from a review of utility records.
- (b) Information to augment utility records, such as topographic surveying of above-ground utility features.
- (c) Information obtained through the use of designating technologies to obtain horizontal underground facility locations.
- (d) Information obtained from physically exposing underground facilities.
- (8) "Division" means the Division of Administrative Hearings.
- (9) (6) "Excavate" or "excavation" means any manmade cut, cavity, trench, or depression in the earth's surface, formed by removal of earth, intended to change the grade or level of land, or intended to penetrate or disturb the surface of the earth, including land beneath the waters of the state, as defined in s. 373.019(22), and the term includes pipe bursting and directional drilling or boring from one point to another point beneath the surface of the earth, or other trenchless technologies.
 - (10) (7) "Excavator" or "excavating contractor" means any

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person performing excavation or demolition operations.

- $\underline{(11)}$ "Member operator" means any person who furnishes or transports materials or services by means of an underground facility.
- (12) "Permanent marker" means a clearly visible indication of the approximate location of an underground facility which is made of material that is durable in nature and which is reasonably expected to remain in position for the life of the underground facility.
- (13) (9) "Person" means any individual, firm, joint venture, partnership, corporation, association, municipality, or other political subdivision, governmental unit, department, or agency, and includes any trustee, receiver, assignee, or personal representative of a person.
- $\underline{(14)}$ "Positive response" means the communications among member operators, excavators, and the system concerning the status of locating an underground facility.
- (15) "Premark" means to delineate the general scope of the excavation on the surface of the ground using white paint, white stakes, or other similar white markings.
- $\underline{(17)}$ "Tolerance zone" means 24 inches from the outer edge of either side of the exterior surface of a marked underground facility.
- (18) (13) "Underground facility" means any public or private personal property which is buried, placed below ground, or submerged on any member operator's right-of-way, easement, or permitted use which is being used or will be used in connection with the storage or conveyance of water; sewage; electronic, telephonic, or telegraphic communication; electric energy; oil;

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petroleum products; natural gas; optical signals; or other substances, and includes, but is not limited to, pipelines, pipes, sewers, conduits, cables, valves, and lines. For purposes of this act, a liquefied petroleum gas line regulated under chapter 527 is not an underground facility unless such line is subject to the requirements of Title 49 C.F.R. adopted by the Department of Agriculture and Consumer Services, provided there is no encroachment on any member operator's right-of-way, easement, or permitted use. Petroleum storage systems subject to regulation pursuant to chapter 376 are not considered underground facilities for the purposes of this act unless the storage system is located on a member operator's right-of-way or easement. Storm drainage systems are not considered underground facilities.

(16) "System" means a free-access notification system established by the corporation as provided in this act.

Section 2. Paragraph (a) of subsection (1), paragraph (a) of subsection (5), and paragraph (a) of subsection (9) of section 556.105, Florida Statutes, are amended to read:

556.105 Procedures.-

- 1. The name of the individual who provided notification and the name, address, including the street address, city, state, zip code, and telephone number of her or his employer.

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2. The name and telephone number of the representative for the excavator, and a valid electronic address to facilitate a positive response by the system should be provided, if available.

- 3. The county, the city or closest city, and the street address or the closest street, road, or intersection to the location where the excavation or demolition is to be performed, and the construction limits of the excavation or demolition.
- 4. The commencement date and anticipated duration of the excavation or demolition.
- 5. Whether machinery will be used for the excavation or demolition.
 - 6. The person or entity for whom the work is to be done.
 - 7. The type of work to be done.
 - 8. The approximate depth of the excavation.
- (5) All member operators within the defined area of a proposed excavation or demolition shall be promptly notified through the system, except that member operators with state-owned underground facilities located within the right-of-way of a state highway need not be notified of excavation or demolition activities and are under no obligation to mark or locate the facilities.
- (a) If a member operator determines that a proposed excavation or demolition is in proximity to or in conflict with an underground facility of the member operator, except a facility beneath the waters of the state, which is governed by paragraph (b), the member operator shall identify the horizontal route by marking to within 24 inches from the outer edge of either side of the underground facility by the use of stakes,

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(9) (a) After receiving notification from the system, a member operator shall provide a positive response to the system within $\frac{3}{2}$ full business days, or 10 such days for an underwater excavation or demolition, indicating the status of operations to protect the facility.

Section 3. Section 556.107, Florida Statutes, is amended to read:

556.107 Violations.-

- (1) NONCRIMINAL INFRACTIONS.—
- (a) Violations of the following provisions are noncriminal infractions:
- $\underline{\text{(a)}}$ 1. Section 556.105(1), relating to providing required information.
- (b) 2. Section 556.105(6), relating to the avoidance of excavation.
- $\underline{\text{(c)}}_3$. Section 556.105(11), relating to the need to stop excavation or demolition because marks are no longer visible, or, in the case of underwater facilities, are inadequately documented.
- $\underline{\text{(d)}}$ 4. Section 556.105(12), relating to the need to cease excavation or demolition activities because of contact or damage to an underground facility.

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 $\underline{\text{(e)}}$ 5. Section 556.105(5)(a) and (b), relating to identification of underground facilities, if a member operator does not mark an underground facility, but not if a member operator marks an underground facility incorrectly.

- $\underline{\text{(f)}_{6}}$. Section 556.109(2), relating to falsely notifying the system of an emergency situation or condition.
- $\underline{\text{(g)}}$ 7. Section 556.114(1), (2), (3), and (4), relating to a failure to follow low-impact marking practices, as defined therein.
- (b) Any excavator or member operator who commits a noncriminal infraction under paragraph (a) may be issued a citation by any local or state law enforcement officer, government code inspector, or code enforcement officer, and the issuer of a citation may require an excavator to cease work on any excavation or not start a proposed excavation until there has been compliance with the provisions of this chapter. Citations shall be hand delivered to any employee of the excavator or member operator who is involved in the noncriminal infraction. The citation shall be issued in the name of the excavator or member operator, whichever is applicable.
- (c) Any excavator or member operator who commits a noncriminal infraction under paragraph (a) may be required to pay a civil penalty for each infraction, which is \$500 plus court costs. If a citation is issued by a state law enforcement officer, a local law enforcement officer, a local government code inspector, or a code enforcement officer, 80 percent of the civil penalty collected by the clerk of the court shall be distributed to the governmental entity whose employee issued the citation and 20 percent of the penalty shall be retained by the

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clerk to cover administrative costs, in addition to other court costs. Any person who fails to properly respond to a citation issued pursuant to paragraph (b) shall, in addition to the citation, be charged with the offense of failing to respond to the citation and, upon conviction, commits a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083. A written warning to this effect must be provided at the time any citation is issued pursuant to paragraph (b).

(d) Any person cited for an infraction under paragraph (a) may post a bond, which shall be equal in amount to the applicable civil penalty plus court costs.

(e) A person charged with a noncriminal infraction under paragraph (a) may pay the civil penalty plus court costs, by mail or in person, within 30 days after the date of receiving the citation. If the person cited pays the civil penalty, she or he is deemed to have admitted to committing the infraction and to have waived the right to a hearing on the issue of commission of the infraction. The admission may be used as evidence in any other proceeding under this chapter.

(f) Any person may elect to appear before the county court and if so electing is deemed to have waived the limitations on the civil penalty specified in paragraph (c). The court, after a hearing, shall make a determination as to whether an infraction has been committed. If the commission of an infraction has been proven, the court may impose a civil penalty not to exceed \$5,000 plus court costs. In determining the amount of the civil penalty, the court may consider previous noncriminal infractions committed.

(g) At a court hearing under this chapter, the commission

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of a charged infraction must be proven by a preponderance of the evidence.

- (h) If a person is found by a judge or hearing official to have committed an infraction, the person may appeal that finding to the circuit court.
- (i) Sunshine State One-Call of Florida, Inc., may, at its own cost, retain an attorney to assist in the presentation of relevant facts and law in the county court proceeding pertaining to the citation issued under this section. The corporation may also appear in any case appealed to the circuit court if a county court judge finds that an infraction of the chapter was committed. An appellant in the circuit court proceeding shall timely notify the corporation of any appeal under this section.
- (2) UNDERGROUND FACILITY DAMAGE PREVENTION REVIEW PANEL CREATION.—
- (a) The underground facility damage prevention review panel is established to review complaints of any alleged violation identified in subsection (1) or s. 556.116(2). The review panel shall consist of nine members appointed by the board of directors and shall include the following:
 - 1. One member representing the electrical utility industry.
 - 2. One member representing the telecommunications industry.
- 3. One member licensed as an underground utility and excavation contractor under chapter 489 and engaged in work within road or highway rights-of-way.
 - 4. One member representing the natural gas industry.
 - 5. One member representing the utility locator industry.
- 6. One member representing county or municipal water and sewer service providers.

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7. One member representing excavators performing work unrelated to construction in road or highway rights-of-way, including landscaping, fencing, or plumbing contractors.

- 8. One member licensed as an underground utility and excavation contractor under chapter 489 and engaged in work for public utilities.
 - 9. One member representing the public at large.
- (b) The board of directors shall establish a process to receive applications for the purpose of appointing members to the review panel.
- member may not serve more than two consecutive 2-year terms, except that members listed in subparagraphs (a)1.-5. shall initially serve a 1-year term and those members listed in subparagraphs (a)6.-9. shall serve a 2-year term. All subsequent appointments shall be for 2-year terms. A vacancy for an unexpired term of a member shall be filled in the same manner as the original appointment. The review panel shall elect a chair and vice chair and meet quarterly in conjunction with the meeting of the board of directors or at the call of the chair.
- (d) The corporation shall provide staff support and meeting space to the review panel. To the extent expenses to operate the review panel are not offset through civil penalties recovered pursuant to subsection (5), member operators must equally share in the cost of the operation of the review panel through monthly assessments, which are in addition to those monthly assessments provided in s. 556.110.
 - (3) COMPLAINTS.-
 - (a) A complaint regarding an alleged violation listed in

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paragraph (1)(a) or s. 556.116(2) shall be submitted to the free-access notification system. Each complaint must include a short, plain statement identifying each transaction or occurrence giving rise to the complaint, the specific provisions in subsection (1) or s. 556.116(2) that were violated, the facts supporting the allegation that the violation occurred, and any other evidence supporting the complaint. A complaint may not be filed later than 30 days after the date the violation occurred or, for those violations that were not immediately observable or discoverable, 30 days after the date the complaining party knew or reasonably should have known of the existence of the violation.

- (b) Within 5 business days after receiving a complaint submitted to the free-access notification system, the corporation must provide a copy of the complaint and supporting documents to the review panel. The corporation must also provide a copy and supporting documents to the party identified in the complaint as having committed a violation, together with a notice of the date and time of a meeting during which time the complaint will be considered by the review panel.
 - (4) REVIEW PANEL PROCESS AND DUTIES.—
- (a) At the designated meeting date, the review panel must provide each party responding to a complaint an opportunity to present his or her argument and provide mitigating evidence regarding the alleged violation. At the conclusion of any presentation, the review panel shall determine whether the alleged violation occurred, and if it determines a violation has occurred, a recommendation as to civil penalties as set forth in subsection (5).

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(b) The review panel's determination and recommendation for a penalty shall be made by majority vote and must be reduced to writing. If the responding party consents to the determination and recommendation, the responding party shall execute the written document and agree to be bound by its provisions. The chair of the review panel shall also execute the document, which shall be enforceable in circuit court.

- (5) PENALTIES.—If the review panel determines that the responding party has violated subsection (1) or s. 556.116(2), it may recommend that the party be required to pay a civil penalty consistent with the following guidelines:
 - (a) For a first violation, a civil penalty of up to \$1,000.
- (b) For a second or subsequent violation, a civil penalty of up to \$5,000.
- (c) A civil penalty of up to \$50,000, irrespective of
 whether it is a first or second violation may be assessed if a
 violation:
- 1. Damages property or facilities, including restoration costs, of greater than \$10,000;
 - 2. Interrupts service to 500 or more customers;
- 3. Interrupts service to critical infrastructure facilities, including airports, hospitals, law enforcement, or fire and rescue facilities; or
- 4. Results in death or serious bodily injury requiring inpatient hospitalization.

In lieu of, or in addition to, imposing a civil penalty for a first violation or in addition to imposing a civil penalty for a second or subsequent violation or for a violation meeting the

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thresholds in paragraph (c), the review panel may recommend damage prevention education and training.

(6) APPEALS.-

- (a) If the responding party disputes the written document, either regarding the existence of a violation or regarding the penalty recommended therein, no later than 21 days after receipt of the written document, the responding party may request a hearing before the division. The request must be filed in writing with the free-access notification system and must specify the specific findings in the written document that are disputed. The free-access notification system must transmit the hearing request to the division within 5 business days after receipt so that the division may conduct a hearing to determine whether a violation has occurred and whether the penalty recommendation made by the review panel should be sustained.
- (b) 1. The division has jurisdiction under this section to determine the facts and law concerning an alleged violation of any of the provisions of subsection (1) or s. 556.116(2).
- 2. The division may impose a civil penalty in an amount not exceeding the maximum civil penalty amount provided for in subsection (5), or require the violator to receive damage prevention education and training, or both, if it finds a violation was committed.
- 3. The division shall issue and serve on all original parties an initial order that assigns the case to a specific administrative law judge and requests information regarding scheduling the final hearing within 5 business days after the division receives the request for hearing. The original parties in the proceeding include the petitioning party and the person

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or entity that filed the original complaint. The final hearing must be conducted within 60 days after the date the request for hearing is filed with the division.

- 4. Unless the parties otherwise agree, venue for the hearing shall be in the county in which the violation occurred.
- 5. An intervenor in the proceeding must file a petition to intervene no later than 15 business days before the final hearing. A person who has a substantial interest in the proceeding may intervene.
 - 6. In any hearing, the following procedures apply:
 - a. A motion in opposition to the petition may be filed.
- b. A motion requesting discovery beyond the informal exchange of documents and witness lists described in subparagraph 7. may be filed. Upon a showing of necessity, additional discovery may be permitted in the discretion of the administrative law judge, but only if the discovery can be completed no later than 5 business days before the final hearing.
- c. A motion for continuance of the final hearing date may be filed.
- d. No motions, other than those provided in this subparagraph, may be filed.
- 7. All parties shall attend a prehearing conference for the purpose of identifying the legal and factual issues to be considered at the final hearing, the names and addresses of witnesses who may be called to testify at the final hearing, documentary evidence that will be offered at the final hearing, the range of penalties that may be imposed, and any other matter that would expedite resolution of the proceeding. The prehearing

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conference may be held by telephone conference call.

- 8. The parties shall furnish to each other copies of documentary evidence and lists of witnesses who may testify at the final hearing at least 5 business days before the final hearing.
- 9. All parties shall have an opportunity to respond, to present evidence and argument on all issues involved, to conduct cross-examination and submit rebuttal evidence, and to be represented by counsel or other qualified representative.
 - 10. The record shall consist only of:
- <u>a. All notices, pleadings, motions, and intermediate</u> rulings.
 - b. Evidence received during the final hearing.
 - c. A statement of matters officially recognized.
 - d. Proffers of proof and objections and rulings thereon.
- <u>e. Matters placed on the record after an ex parte</u> communication.
- f. The written final order of the administrative law judge presiding at the final hearing.
 - g. The official transcript of the final hearing.
- (c) The division shall accurately and completely preserve all testimony in the proceeding and, upon request by any party, shall make a full or partial transcript available at no more than actual cost.
- (d) The administrative law judge shall issue a final order within 30 days after the final hearing or the filing of the transcript, whichever is later. The final order of the administrative law judge must include:
 - 1. Findings of fact based exclusively on the evidence of

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record and matters officially recognized.

2. Conclusions of law. In determining whether a party has committed a violation of subsection (1) or s. 556.116(2), the violation must be proven by a preponderance of the evidence.

- 3. Imposition of a civil penalty, or a requirement for receiving damage prevention education and training, if applicable.
- 4. Any other information required by law or rule to be contained in a final order.

The final order of the administrative law judge constitutes final agency action subject to judicial review pursuant to s. 120.68.

- (e) This subsection does not prevent the parties from reaching a voluntary resolution of the issues raised in the request for hearing at any time before the entry of a final order by the administrative law judge.
- (7) FAILURE TO REQUEST A HEARING.—If a responding party disagrees with the determination or recommendation of the review panel, but fails to request a hearing before the division within 21 days following the meeting as described in subsection (4), the review panel's written document shall become a final order, enforceable in circuit court.
- (8) PAYMENT OF CIVIL PENALTIES.—Any civil penalties imposed under this section shall be paid to the free-access notification system, which shall use the collected penalties to satisfy the costs incurred by the system for any proceeding under this section, including expenses related to the review panel process. To the extent there are any funds remaining, the system may use

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the funds exclusively for damage prevention education and training.

- (2) REPORT OF INFRACTIONS.—By March 31 of each year, each clerk of court shall submit a report to Sunshine State One-Call of Florida, Inc., listing each violation notice written under paragraph (1)(a) which has been filed in that county during the preceding calendar year. The report must state the name and address of the member or excavator who committed each infraction and indicate whether or not the civil penalty for the infraction was paid.
 - $(9) \frac{(3)}{(3)}$ MISDEMEANORS.
- (a) Any person who knowingly and willfully removes or otherwise destroys the valid stakes or other valid physical markings described in s. 556.105(5)(a) and (b) used to mark the horizontal route of an underground facility commits a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083. For purposes of this subsection, stakes or other nonpermanent physical markings are considered valid for 30 calendar days after information is provided to the system under s. 556.105(1)(a).
- (b) Any person who knowingly and willfully removes or damages a permanent marker, as defined in s. 556.102, placed to identify the approximate location of an underground facility commits a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083.
- Section 4. Subsection (4) of section 556.114, Florida Statutes, is amended to read:
 - 556.114 Low-impact marking practices.
 - (4) A member operator shall identify the horizontal route

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of its underground facilities as set forth in s. 556.105(5)(a) and (b), and excavators shall premark an excavation site as set forth in subsection (3) using flags or stakes or temporary, nonpermanent paint or other industry-accepted low-impact marking practices. However, a member operator may place permanent markers, as defined in s. 556.102, to permanently mark the approximate location of underground facilities.

Section 5. Paragraphs (b), (c), and (d) of subsection (3) and paragraph (g) of subsection (5) of section 556.116, Florida Statutes, are amended to read:

556.116 High-priority subsurface installations; special procedures.—

(3)

- (b) Upon receipt of an allegation that an incident has occurred, the system shall transmit an incident report to the division and contract with the division so that the division may conduct a hearing to determine whether an incident has occurred, and, if so, whether a violation of $\underline{s.556.107(1)}$ $\underline{s.556.107(1)}$ was a proximate cause of the incident. The contract for services to be performed by the division must include provisions for the system to reimburse the division for any costs incurred by the division for court reporters, transcript preparation, travel, facility rental, and other customary hearing costs, in the manner set forth in s. 120.65(9).
- (c) The division has jurisdiction in a proceeding under this section to determine the facts and law concerning an alleged incident. The division may impose a fine against a violator in an amount not to exceed \$50,000 if the person

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violated a provision of <u>s. 556.107(1)</u> s. 556.107(1)(a) and that violation was a proximate cause of the incident. However, if a state agency or political subdivision caused the incident, the state agency or political subdivision may not be fined in an amount in excess of \$10,000.

- (d) A fine imposed by the division is in addition to any amount payable as a result of a citation relating to the incident under s. 556.107(1) s. 556.107(1)(a).
 - (5) The following procedures apply:
- (g) The administrative law judge shall issue a final order within 30 days after the final hearing or the filing of the transcript thereof, whichever is later. The final order of the administrative law judge must include:
- 1. Findings of fact based exclusively on the evidence of record and matters officially recognized.
- 2. Conclusions of law. In determining whether a party has committed an infraction of $\underline{s.556.107(1)}$ $\underline{s.556.107(1)}(a)$, and whether the infraction was a proximate cause of an incident, the commission of an infraction must be proven by a preponderance of the evidence.
 - 3. Imposition of a fine, if applicable.
- 4. Any other information required by law or rule to be contained in a final order.

The final order of the administrative law judge constitutes final agency action subject to judicial review pursuant to s. 120.68.

Section 6. This act shall take effect July 1, 2019.