By Senator Baker

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A bill to be entitled

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An act relating to the Department of Transportation; amending s. 337.185, F.S.; providing for maintenance contracts to be included in the types of claims settled by the State Arbitration Board; amending s. 337.403, F.S.; providing for the department or a local governmental entity to pay the costs of removing or relocating a utility that is interfering with the use of a road or rail corridor; amending s. 338.01, F.S.; requiring that newly installed electronic toll collection systems be interoperable with the department's electronic toll collection system; amending s. 338.165, F.S.; providing that provisions requiring the continuation of tolls following the discharge of bond indebtedness does not apply to high-occupancy toll lanes or express lanes; creating s. 338.166, F.S.; authorizing the department to request that bonds be issued which are secured by toll revenues from high-occupancy toll or express lanes in a specified location; providing for the department to continue to collect tolls after discharge of indebtedness; authorizing the use of excess toll revenues for improvements to the State Highway System; amending s. 338.2216, F.S.; directing the turnpike enterprise to develop new technologies and processes for the collection of tolls and usage fees; amending s. 338.231, F.S.; eliminating reference to uniform toll rates on the Florida Turnpike System; authorizing the department to fix by rule and collect the amounts needed to cover toll collection costs; amending s. 479.01, F.S.; redefining the term

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"automatic changeable facing" as used in provisions governing outdoor advertising; amending s. 479.07, F.S.; revising the locations within which signs require permitting; providing requirements for the placement of permit tags; requiring the department to establish by rule a service fee for replacement tags; amending s. 479.08, F.S.; deleting a provision allowing a sign permittee to correct false information that was knowingly provided to the department; amending s. 479.11, F.S.; revising the description of prohibited signs; amending s. 479.261, F.S.; revising requirements for the logo sign program of the interstate highway system; deleting provisions providing for permits to be awarded to the highest bidders; requiring the department to implement a rotationbased logo program; increasing the permit fee for businesses that participate in the program; providing an effective date.

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

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Section 1. Subsections (1), (2), and (7) of section 337.185, Florida Statutes, are amended to read:

337.185 State Arbitration Board.--

(1) To facilitate the prompt settlement of claims for additional compensation arising out of construction and maintenance contracts between the department and the various contractors with whom it transacts business, the Legislature does hereby establish the State Arbitration Board, referred to in this section as the "board." For the purpose of this section, "claim"

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means shall mean the aggregate of all outstanding claims by a party arising out of a construction or maintenance contract. Every contractual claim in an amount up to \$250,000 per contract or, at the claimant's option, up to \$500,000 per contract or, upon agreement of the parties, up to \$1 million per contract which that cannot be resolved by negotiation between the department and the contractor shall be arbitrated by the board after acceptance of the project by the department. As an exception, either party to the dispute may request that the claim be submitted to binding private arbitration. A court of law may not consider the settlement of such a claim until the process established by this section has been exhausted.

- (2) The board shall be composed of three members. One member shall be appointed by the head of the department, and one member shall be elected by those construction or maintenance companies who are under contract with the department. The third member shall be chosen by agreement of the other two members. Whenever the third member has a conflict of interest regarding affiliation with one of the parties, the other two members shall select an alternate member for that hearing. The head of the department may select an alternative or substitute to serve as the department member for any hearing or term. Each member shall serve a 2-year term. The board shall elect a chair, each term, who shall be the administrator of the board and custodian of its records.
- (7) The members of the board may receive compensation for the performance of their duties hereunder, from administrative fees received by the board, except that no employee of the department may receive compensation from the board. The

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compensation amount shall be determined by the board, but shall not exceed \$125 per hour, up to a maximum of \$1,000 per day for each member authorized to receive compensation. Nothing in This section does not shall prevent the member elected by construction or maintenance companies from being an employee of an association affiliated with the industry, even if the sole responsibility of that member is service on the board. Travel expenses for the industry member may be paid by an industry association, if necessary. The board may allocate funds annually for clerical and other administrative services.

Section 2. Subsection (1) of section 337.403, Florida Statutes, is amended to read:

337.403 Relocation of utility; expenses.--

- (1) Any utility heretofore or hereafter placed upon, under, over, or along any public road or publicly owned rail corridor which that is found by the authority to be unreasonably interfering in any way with the convenient, safe, or continuous use, or the maintenance, improvement, extension, or expansion, of such public road or publicly owned rail corridor shall, upon 30 days' written notice to the utility or its agent by the authority, be removed or relocated by such utility at its own expense except as provided in paragraphs (a), (b), and (c), and (d).
- (a) If the relocation of utility facilities, as referred to in s. 111 of the Federal-Aid Highway Act of 1956, Pub. L. No. 627 of the 84th Congress, is necessitated by the construction of a project on the federal-aid interstate system, including extensions thereof within urban areas, and the cost of such project is eligible and approved for reimbursement by the Federal

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Government to the extent of 90 percent or more under the Federal Aid Highway Act, or any amendment thereof, then in that event the utility owning or operating such facilities shall relocate such facilities upon order of the department, and the state shall pay the entire expense properly attributable to such relocation after deducting therefrom any increase in the value of the new facility and any salvage value derived from the old facility.

- (b) When a joint agreement between the department and the utility is executed for utility improvement, relocation, or removal work to be accomplished as part of a contract for construction of a transportation facility, the department may participate in those utility improvement, relocation, or removal costs that exceed the department's official estimate of the cost of such work by more than 10 percent. The amount of such participation shall be limited to the difference between the official estimate of all the work in the joint agreement plus 10 percent and the amount awarded for this work in the construction contract for such work. The department may not participate in any utility improvement, relocation, or removal costs that occur as a result of changes or additions during the course of the contract.
- (c) When an agreement between the department and utility is executed for utility improvement, relocation, or removal work to be accomplished in advance of a contract for construction of a transportation facility, the department may participate in the cost of clearing and grubbing necessary to perform such work.
- (d) If the facility being relocated exclusively serves the authority, the authority shall bear the costs of removal or relocation.

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Section 3. Subsection (6) is added to section 338.01, 146 Florida Statutes, to read:

- 338.01 Authority to establish and regulate limited access facilities.--
- (6) Notwithstanding any other provision of law, all new limited access facilities and existing transportation facilities on which new or replacement electronic toll collection systems are installed shall be interoperable with the department's electronic toll collection system.
- Section 4. Present subsections (7) and (8) of section 338.165, Florida Statutes, are redesignated as subsections (8) and (9), respectively, and a new subsection (7) is added to that section, to read:
 - 338.165 Continuation of tolls.--
- (7) This section does not apply to high-occupancy toll lanes or express lanes.
- Section 5. Section 338.166, Florida Statutes, is created to read:
 - 338.166 High-occupancy toll lanes or express lanes.--
- (1) Under s. 11, Art. VII of the State Constitution, the department may request the Division of Bond Finance to issue bonds secured by toll revenues collected on high-occupancy toll lanes or express lanes located on Interstate 95 in Miami-Dade and Broward Counties.
- (2) The department may continue to collect the toll on the high-occupancy toll lanes or express lanes after the discharge of any bond indebtedness related to such project. All tolls so collected shall first be used to pay the annual cost of the

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operation, maintenance, and improvement of the high-occupancy
toll lanes or express lanes project.

- (3) Any remaining toll revenue from the high-occupancy toll lanes or express lanes shall be used by the department for the construction, maintenance, or improvement of any road on the State Highway System.
- (4) Except for high-occupancy toll lanes or express lanes, tolls may not be charged for use of an interstate highway where tolls were not charged as of July 1, 1997.
- (5) This section does not apply to the turnpike system as defined under the Florida Turnpike Enterprise Law.
- Section 6. Paragraph (d) is added to subsection (1) of section 338.2216, Florida Statutes, to read:
- 338.2216 Florida Turnpike Enterprise; powers and authority.--

(1)

implement new technologies and processes in its operations and in the collection of tolls and other amounts associated with road and infrastructure use. This shall include, without limitation, video billing and variable pricing.

Section 7. Section 338.231, Florida Statutes, is amended to read:

338.231 Turnpike tolls, fixing; pledge of tolls and other revenues.—The department shall at all times fix, adjust, charge, and collect such tolls 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

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the principal of and interest on all bonds issued to finance or refinance any portion of the turnpike system as the same become due and payable; and to create reserves for all such purposes.

(1) In the process of effectuating toll rate increases over the period 1988 through 1992, the department shall, to the maximum extent feasible, equalize the toll structure, within each vehicle classification, so that the per mile toll rate will be approximately the same throughout the turnpike system. New turnpike projects may have toll rates higher than the uniform system rate where such higher toll rates are necessary to qualify the project in accordance with the financial criteria in the turnpike law. Such higher rates may be reduced to the uniform system rate when the project is generating sufficient revenues to pay the full amount of debt service and operating and maintenance costs at the uniform system rate. If, after 15 years of opening to traffic, the annual revenue of a turnpike project does not meet or exceed the annual debt service requirements and operating and maintenance costs attributable to such project, the department shall, to the maximum extent feasible, establish a toll rate for the project which is higher than the uniform system rate as necessary to meet such annual debt service requirements and operating and maintenance costs. The department may, to the extent feasible, establish a temporary toll rate at less than the uniform system rate for the purpose of building patronage for the ultimate benefit of the turnpike system. In no case shall the temporary rate be established for more than 1 year. The requirements of this subsection shall not apply when the application of such requirements would violate any covenant

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established in a resolution or trust indenture relating to the issuance of turnpike bonds.

(1)(2) Notwithstanding any other provision of law, the department may defer the scheduled July 1, 1993, toll rate increase on the Homestead Extension of the Florida Turnpike until July 1, 1995. The department may also advance funds to the Turnpike General Reserve Trust Fund to replace estimated lost revenues resulting from this deferral. The amount advanced must be repaid within 12 years from the date of advance; however, the repayment is subordinate to all other debt financing of the turnpike system outstanding at the time repayment is due.

(2)(3) The department shall publish a proposed change in the toll rate for the use of an existing toll facility, in the manner provided for in s. 120.54, which will provide for public notice and the opportunity for a public hearing before the adoption of the proposed rate change. When the department is evaluating a proposed turnpike toll project under s. 338.223 and has determined that there is a high probability that the project will pass the test of economic feasibility predicated on proposed toll rates, the toll rate that is proposed to be charged after the project is constructed must be adopted during the planning and project development phase of the project, in the manner provided for in s. 120.54, including public notice and the opportunity for a public hearing. For such a new project, the toll rate becomes effective upon the opening of the project to traffic.

(3)(a)(4) For the period July 1, 1998, through June 30, 2017, the department shall, to the maximum extent feasible, program sufficient funds in the tentative work program such that

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the percentage of turnpike toll and bond financed commitments in Dade County, Broward County, and Palm Beach County as compared to total turnpike toll and bond financed commitments shall be at least 90 percent of the share of net toll collections attributable to users of the turnpike system in Dade County, Broward County, and Palm Beach County as compared to total net toll collections attributable to users of the turnpike system. The requirements of this subsection do not apply when the application of such requirements would violate any covenant established in a resolution or trust indenture relating to the issuance of turnpike bonds. The department may establish at any time for economic considerations lower temporary toll rates for a new or existing toll facility for a period not to exceed 1 year, after which period the toll rates adopted under s. 120.54 shall become effective.

- (b) The department shall also fix, adjust, charge, and collect such amounts needed to cover the costs of administering the different toll collection and payment methods and types of accounts being offered and used in the manner provided for in s. 120.54, which provides for public notice and the opportunity for a public hearing before adoption. Such amounts may stand alone, be incorporated into a toll rate structure, or be a combination thereof.
- (4) (5) When bonds are outstanding which have been issued to finance or refinance any turnpike project, the tolls and all other revenues derived from the turnpike system and pledged to such bonds shall be set aside as may be provided in the resolution authorizing the issuance of such bonds or the trust agreement securing the same. The tolls or other revenues or other

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moneys so pledged and thereafter received by the department are immediately subject to the lien of such pledge without any physical delivery thereof or further act. The lien of any such pledge is valid and binding as against all parties having claims of any kind in tort or contract or otherwise against the department irrespective of whether such parties have notice thereof. Neither the resolution nor any trust agreement by which a pledge is created need be filed or recorded except in the records of the department.

(5) (6) In each fiscal year while any of the bonds of the Broward County Expressway Authority series 1984 and series 1986-A remain outstanding, the department is authorized to pledge revenues from the turnpike system to the payment of principal and interest of such series of bonds and the operation and maintenance expenses of the Sawgrass Expressway, to the extent gross toll revenues of the Sawgrass Expressway are insufficient to make such payments. The terms of an agreement relative to the pledge of turnpike system revenue will be negotiated with the parties of the 1984 and 1986 Broward County Expressway Authority lease-purchase agreements, and subject to the covenants of those agreements. The agreement shall establish that the Sawgrass Expressway shall be subject to the planning, management, and operating control of the department limited only by the terms of the lease-purchase agreements. The department shall provide for the payment of operation and maintenance expenses of the Sawgrass Expressway until such agreement is in effect. This pledge of turnpike system revenues shall be subordinate to the debt service requirements of any future issue of turnpike bonds, the payment of turnpike system operation and maintenance expenses, and

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subject to provisions of any subsequent resolution or trust indenture relating to the issuance of such turnpike bonds.

 $\underline{(6)}$ (7) The use and disposition of revenues pledged to bonds are subject to the provisions of ss. 338.22-338.241 and such regulations as the resolution authorizing the issuance of such bonds or such trust agreement may provide.

Section 8. Subsection (1) of section 479.01, Florida Statutes, is amended to read:

479.01 Definitions. -- As used in this chapter, the term:

(1) "Automatic changeable facing" means a facing that which through a mechanical system is capable of delivering two or more advertising messages through an automated or remotely controlled process and shall not rotate so rapidly as to cause distraction to a motorist.

Section 9. Subsections (1) and (5) of section 479.07, Florida Statutes, are amended to read:

479.07 Sign permits.--

(1) Except as provided in ss. 479.105(1)(e) and 479.16, a person may not erect, operate, use, or maintain, or cause to be erected, operated, used, or maintained, any sign on the State Highway System outside an urban incorporated area, as defined in s. 334.03(32), or on any portion of the interstate or federal-aid primary highway system without first obtaining a permit for the sign from the department and paying the annual fee as provided in this section. For purposes of this section, "on any portion of the State Highway System, interstate, or federal-aid primary system" shall mean a sign located within the controlled area which is visible from any portion of the main-traveled way of such system.

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(5)(a) For each permit issued, the department shall furnish to the applicant a serially numbered permanent metal permit tag. The permittee is responsible for maintaining a valid permit tag on each permitted sign facing at all times. The tag shall be securely attached to the sign apron at the end nearest the highway facing or, if there is no apron facing, on the pole nearest the highway at a point not less than 2 feet or more than 4 feet below the sign facing; and it shall be attached in such a manner as to be plainly visible from the main-traveled way. For signs holding valid permits on July 1, 2008, the tag posting requirement shall be effective July 1, 2010. The permit will become void unless the permit tag is properly and permanently displayed at the permitted site within 30 days after the date of permit issuance. If the permittee fails to erect a completed sign on the permitted site within 270 days after the date on which the permit was issued, the permit will be void, and the department may not issue a new permit to that permittee for the same location for 270 days after the date on which the permit became void.

(b) If a permit tag is lost, stolen, or destroyed, the permittee to whom the tag was issued must apply to the department for a replacement tag. The department shall establish by rule a service fee for replacement tags in an amount that will recover the actual cost of providing the replacement tag. Upon receipt of the application accompanied by the a service fee of \$3, the department shall issue a replacement permit tag.

Section 10. Section 479.08, Florida Statutes, is amended to read:

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479.08 Denial or revocation of permit. -- The department has the authority to deny or revoke any permit requested or granted under this chapter in any case in which it determines that the application for the permit contains knowingly false or misleading information. The department has the authority to revoke any permit granted under this chapter in any case where or that the permittee has violated any of the provisions of this chapter, unless such permittee, within 30 days after the receipt of notice by the department, corrects such false or misleading information and complies with the provisions of this chapter. Any person aggrieved by any action of the department in denying or revoking a permit under this chapter may, within 30 days after receipt of the notice, apply to the department for an administrative hearing pursuant to chapter 120. If a timely request for hearing has been filed and the department issues a final order revoking a permit, such revocation shall be effective 30 days after the date of rendition. Except for department action pursuant to s. 479.107(1), the filing of a timely and proper notice of appeal shall operate to stay the revocation until the department's action is upheld.

Section 11. Subsection (2) of section 479.11, Florida Statutes, is amended to read:

- 479.11 Specified signs prohibited. -- No sign shall be erected, used, operated, or maintained:
- (2) Beyond 660 feet of the nearest edge of the right-of-way of any portion of the interstate highway system or the federal-aid primary highway system outside an urban area, the advertising message or informative contents of which sign is visible from the main traveled way erected for the purpose of its message being

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read from the main-traveled way of such system, except as provided in ss. 479.111(1) and 479.16.

Section 12. Subsections (1), (3), (4), and (5) of section 479.261, Florida Statutes, are amended to read:

479.261 Logo sign program. --

- (1) The department shall establish a logo sign program for the rights-of-way of the interstate highway system to provide information to motorists about available gas, food, lodging, and camping, attractions, and other services, as approved by the Federal Highway Administration at interchanges, through the use of business logos, and may include additional interchanges under the program. A logo sign for nearby attractions may be added to this program if allowed by federal rules.
- (a) An attraction as used in this chapter is defined as an establishment, site, facility, or landmark that which is open a minimum of 5 days a week for 52 weeks a year; that which charges an admission for entry; which has as its principal focus family-oriented entertainment, cultural, educational, recreational, scientific, or historical activities; and that which is publicly recognized as a bona fide tourist attraction. However, the permits for businesses seeking to participate in the attractions logo sign program shall be awarded by the department annually to the highest bidders, notwithstanding the limitation on fees in subsection (5), which are qualified for available space at each qualified location, but the fees therefor may not be less than the fees established for logo participants in other logo categories.
- (b) The department shall incorporate the use of RV-friendly markers on specific information logo signs for establishments

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that cater to the needs of persons driving recreational vehicles. Establishments that qualify for participation in the specific information logo program and that also qualify as "RV-friendly" may request the RV-friendly marker on their specific information logo sign. An RV-friendly marker must consist of a design approved by the Federal Highway Administration. The department shall adopt rules in accordance with chapter 120 to administer this paragraph, including rules setting forth the minimum requirements that establishments must meet in order to qualify as RV-friendly. These requirements shall include large parking spaces, entrances, and exits that can easily accommodate recreational vehicles and facilities having appropriate overhead clearances, if applicable.

- (c) The department may implement a 3-year rotation-based logo program providing for the removal and addition of participating businesses in the program.
- (3) Logo signs may be installed upon the issuance of an annual permit by the department or its agent and payment of \underline{a} an application and permit fee to the department or its agent.
- (4) The department may contract pursuant to s. 287.057 for the provision of services related to the logo sign program, including recruitment and qualification of businesses, review of applications, permit issuance, and fabrication, installation, and maintenance of logo signs. The department may reject all proposals and seek another request for proposals or otherwise perform the work. If the department contracts for the provision of services for the logo sign program, the contract must require, unless the business owner declines, that businesses that previously entered into agreements with the department to

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privately fund logo sign construction and installation be reimbursed by the contractor for the cost of the signs which has not been recovered through a previously agreed upon waiver of fees. The contract also may allow the contractor to retain a portion of the annual fees as compensation for its services.

- (5) Permit fees for businesses that participate in the program must be established in an amount sufficient to offset the total cost to the department for the program, including contract costs. The department shall provide the services in the most efficient and cost-effective manner through department staff or by contracting for some or all of the services. Such annual permit fee shall not exceed \$3,000 \$1,250.
- Section 13. This act shall take effect July 1, 2008.

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