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A bill to be entitled An act relating to transportation; amending s. 212.08, F.S.; reducing motor vehicle sales tax for certain fiscal years; creating s. 287.05705, F.S.; providing that certain governmental entities may not prohibit certain vendors from responding to competitive solicitations of certain contractual services; providing applicability; amending s. 316.003, F.S.; revising the definition of the term "personal delivery device"; amending s. 316.2397, F.S.; revising provisions authorizing vehicles to show or display flashing lights; amending s. 337.025, F.S.; revising the type of transportation project contracts that are subject to an annual cap; revising application of such cap; amending s. 337.14, F.S.; requiring contractors wishing to bid on certain contracts to first be certified by the Department of Transportation as qualified; revising requirements for applying for and issuing a certificate of qualification; providing construction with respect to submission and approval of an application for such certificate; exempting airports from certain restrictions regarding entities performing engineering and inspection services; amending s. 337.185, F.S.; revising and providing definitions; revising requirements for arbitration of

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certain contracts by the State Arbitration Board; revising requirements regarding arbitration requests, hearings, procedures, and awards; revising membership and meeting requirements; revising compensation of board members; amending s. 378.403, F.S.; defining the term "borrow pit"; amending s. 378.801, F.S.; prohibiting operation of a borrow pit at a new location without notifying the Secretary of Environmental Protection of the intent to extract; conforming provisions; amending s. 378.802, F.S.; revising application of provisions to exclude existing mines; providing an effective date.

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

Section 1. Paragraph (ppp) is added to subsection (7) of section 212.08, Florida Statutes, to read:

212.08 Sales, rental, use, consumption, distribution, and

storage tax; specified exemptions.—The sale at retail, the rental, the use, the consumption, the distribution, and the storage to be used or consumed in this state of the following are hereby specifically exempt from the tax imposed by this chapter.

(7) MISCELLANEOUS EXEMPTIONS.—Exemptions provided to any entity by this chapter do not inure to any transaction that is

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otherwise taxable under this chapter when payment is made by a representative or employee of the entity by any means, including, but not limited to, cash, check, or credit card, even when that representative or employee is subsequently reimbursed by the entity. In addition, exemptions provided to any entity by this subsection do not inure to any transaction that is otherwise taxable under this chapter unless the entity has obtained a sales tax exemption certificate from the department or the entity obtains or provides other documentation as required by the department. Eligible purchases or leases made with such a certificate must be in strict compliance with this subsection and departmental rules, and any person who makes an exempt purchase with a certificate that is not in strict compliance with this subsection and the rules is liable for and shall pay the tax. The department may adopt rules to administer this subsection.

(ppp) Motor vehicle sales tax for specified fiscal years.—

For fiscal years 2021-2022 and 2022-2023, after calculating the sales tax imposed by this chapter on the sale of a motor vehicle, the amount due shall be reduced by \$50.

Section 2. Section 287.05705, Florida Statutes, is created to read:

287.05705 Procurements of road, bridge, and other specified public construction services.—

(1) With respect to competitive solicitations for the

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procurement of contractual services that are limited to the classes of work for which the Department of Transportation issues certificates of qualification pursuant to s. 337.14, which services do not involve the construction, remodeling, repair, or improvement of any building, a local or regional governmental entity procuring such services may not prohibit a response from a vendor possessing a valid certificate of qualification under s. 337.14 or license under chapter 489 corresponding to the contractual services being procured.

(2) This section applies to all competitive solicitations

- (2) This section applies to all competitive solicitations issued by a governmental entity on or after October 1, 2021.
- Section 3. Paragraph (b) of subsection (56) of section 316.003, Florida Statutes, is amended to read:
- 316.003 Definitions.—The following words and phrases, when used in this chapter, shall have the meanings respectively ascribed to them in this section, except where the context otherwise requires:
- (56) PERSONAL DELIVERY DEVICE.—An electrically powered device that:
  - (b) Weighs less than 550 80 pounds, excluding cargo;

A personal delivery device is not considered a vehicle unless expressly defined by law as a vehicle. A mobile carrier is not considered a personal delivery device.

Section 4. Subsection (10) of section 316.2397, Florida

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Statutes, is renumbered as subsection (12), subsections (2) and (7) are amended, and new subsections (10) and (11) are added to that section, to read:

316.2397 Certain lights prohibited; exceptions.-

- (2) It is expressly prohibited for any vehicle or equipment, except police vehicles and vehicles and equipment specified in subsections (10) and (11), to show or display blue lights. However, vehicles owned, operated, or leased by the Department of Corrections or any county correctional agency may show or display blue lights when responding to emergencies.
  - (7) Flashing lights are prohibited on vehicles except:
- (a) As a means of indicating a right or left turn, to change lanes, or to indicate that the vehicle is lawfully stopped or disabled upon the highway;
- (b) When a motorist intermittently flashes his or her vehicle's headlamps at an oncoming vehicle notwithstanding the motorist's intent for doing so;
- (c) During periods of extreme low visibility on roadways with a posted speed limit of 55 mph or higher; and
- $\underline{\text{(d)}}$  For the lamps authorized under subsections (1), (2), (3), (4), and (9), s. 316.2065, or s. 316.235(6) which may flash.
- (10) Construction vehicles within a work zone on roadways with a posted speed limit of 55 mph or higher may show or display flashing blue lights while performing paving operations

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126 or where a hazard exists.

(11) Under the direction of a law enforcement officer, portable radar speed display units in advance of a work zone on roadways with a posted speed limit of 55 mph or higher may show or display flashing red and blue lights when workers are present.

Section 5. Section 337.025, Florida Statutes, is amended to read:

337.025 Innovative transportation projects; department to establish program.—

transportation projects demonstrating innovative techniques of highway and bridge design, construction, maintenance, and finance which have the intended effect of measuring resiliency and structural integrity and controlling time and cost increases on construction projects. Such techniques may include, but are not limited to, state-of-the-art technology for pavement, safety, and other aspects of highway and bridge design, construction, and maintenance; innovative bidding and financing techniques; accelerated construction procedures; and those techniques that have the potential to reduce project life cycle costs. To the maximum extent practical, the department must use the existing process to award and administer construction and maintenance contracts. When specific innovative techniques are to be used, the department is not required to adhere to those

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provisions of law that would prevent, preclude, or in any way prohibit the department from using the innovative technique. However, before using an innovative technique that is inconsistent with another provision of law, the department must document in writing the need for the exception and identify what benefits the traveling public and the affected community are anticipated to receive. The department may enter into no more than \$120 million in <a href="design-build">design-build</a> contracts <a href="awarded">awarded</a> annually <a href="pursuant to s. 337.11(7)">pursuant to s. 337.11(7)</a> for the purposes authorized by this section.

- (2) The annual cap on contracts provided in subsection (1) does shall not apply to:
- (a) Turnpike enterprise projects, and turnpike enterprise projects shall not be counted toward the department's annual cap.
- (b) Low-bid design-build milling and resurfacing contracts

  Transportation projects funded by the American Recovery and Reinvestment Act of 2009.
- Section 6. Subsections (1), (4), and (7) of section 337.14, Florida Statutes, are amended to read:
- 337.14 Application for qualification; certificate of qualification; restrictions; request for hearing.—
- (1) Any contractor desiring to bid for the performance of any construction contract in excess of \$250,000 which the department proposes to let must first be certified by the

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department as qualified pursuant to this section and rules of the department. The rules of the department must address the qualification of contractors to bid on construction contracts in excess of \$250,000 and must include requirements with respect to the equipment, past record, experience, financial resources, and organizational personnel of the applying contractor which are necessary to perform the specific class of work for which the contractor seeks certification. Any contractor who desires to bid on contracts in excess of \$50 million and who is not qualified and in good standing with the department as of January 1, 2019, must first be certified by the department as qualified and desires to bid on contracts in excess of \$50 million must have satisfactorily completed two projects, each in excess of \$15 million, for the department or for any other state department of transportation. The department may limit the dollar amount of any contract upon which a contractor is qualified to bid or the aggregate total dollar volume of contracts such contractor is allowed to have under contract at any one time. Each applying contractor seeking qualification to bid on construction contracts in excess of \$250,000 shall furnish the department a statement under oath, on such forms as the department may prescribe, setting forth detailed information as required on the application. Each application for certification must be accompanied by audited, certified financial statements prepared in accordance with generally

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accepted accounting principles and auditing standards by a certified public accountant licensed in this state or another state. The audited, certified financial statements must be for the applying contractor and must have been prepared the latest annual financial statement of the applying contractor completed within the immediately preceding <del>last</del> 12 months. The department may not consider any financial information of the parent entity of the applying contractor, if any. The department may not certify as qualified any applying contractor that fails to submit the audited, certified financial statements required by this subsection. If the application or the annual financial statement shows the financial condition of the applying contractor more than 4 months before prior to the date on which the application is received by the department, the applicant must also submit an interim audited, certified financial statements prepared in accordance with generally accepted accounting principles and auditing standards by a certified public accountant licensed in this state or another state statement and an updated application must be submitted. The interim financial statements statement must cover the period from the end date of the annual statement and must show the financial condition of the applying contractor no more than 4 months before prior to the date that the interim financial statements are statement is received by the department. However, upon the request of the applying contractor, an application and

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accompanying annual or interim financial statement received by the department within 15 days after either 4-month period under this subsection shall be considered timely. Each required annual or interim financial statement must be audited and accompanied by the opinion of a certified public accountant. An applying contractor desiring to bid exclusively for the performance of construction contracts with proposed budget estimates of less than \$1 million may submit reviewed annual or reviewed interim financial statements prepared by a certified public accountant. The information required by this subsection is confidential and exempt from s. 119.07(1). The department shall act upon the application for qualification within 30 days after the department determines that the application is complete. The department may waive the requirements of this subsection for projects having a contract price of \$500,000 or less if the department determines that the project is of a noncritical nature and the waiver will not endanger public health, safety, or property.

(4) If the applicant is found to possess the prescribed qualifications, the department shall issue to him or her a certificate of qualification that, unless thereafter revoked by the department for good cause, will be valid for a period of 18 months after the date of the applicant's financial statement or such shorter period as the department prescribes. Submission of an application and subsequent approval do shall not affect

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expiration of the certificate of qualification, the ability factor of the project, or the maximum capacity rating of the project. If the department finds that an application is incomplete or contains inadequate information or information that cannot be verified, the department may request in writing that the applicant provide the necessary information to complete the application or provide the source from which any information in the application may be verified. If the applicant fails to comply with the initial written request within a reasonable period of time as specified therein, the department shall request the information a second time. If the applicant fails to comply with the second request within a reasonable period of time as specified therein, the application shall be denied.

(7) A "contractor" as defined in s. 337.165(1)(d) or his or her "affiliate" as defined in s. 337.165(1)(a) qualified with the department under this section may not also qualify under s. 287.055 or s. 337.105 to provide testing services, construction, engineering, and inspection services to the department. This limitation does not apply to any design-build prequalification under s. 337.11(7) and does not apply when the department otherwise determines by written order entered at least 30 days before advertisement that the limitation is not in the best interests of the public with respect to a particular contract for testing services, construction, engineering, and inspection services. This subsection does not authorize a contractor to

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provide testing services, or provide construction, engineering, and inspection services, to the department in connection with a construction contract under which the contractor is performing any work. Notwithstanding any other provision of law to the contrary, for a project that is wholly or partially funded by the department and administered by a local governmental entity, except for a seaport listed in s. 311.09 or an airport as defined in s. 332.004, the entity performing design and construction engineering and inspection services may not be the same entity. Section 7. Section 337.185, Florida Statutes, is amended

to read:

(Substantial rewording of section. See

- s. 337.185, F.S., for present text.)
- 290 337.185 State Arbitration Board.-

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- (1) To facilitate the prompt resolution of claims arising out of or in connection with a construction or maintenance contract with the department, the Legislature has established the State Arbitration Board, referred to in this section as the "board."
  - (2) As used in this section, the term:
- "Claim" means the aggregate of all outstanding written requests for additional monetary compensation, time, or other adjustments to the contract, the entitlement or impact of which is disputed by the department.

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(b) "Contractor" means a person or firm having a contract for rendering services to the department relating to the construction or maintenance of a transportation facility.

- (c) "Final acceptance" means that the contractor has completely performed the work provided for under the contract, the department or its agent has determined that the contractor has satisfactorily completed the work provided for under the contract, and the department or its agent has submitted written notice of final acceptance to the contractor.
- (3) Every claim in an amount of up to \$250,000 per contract will be arbitrated by the board. An award issued by the board pursuant to this section is final and enforceable by a court of law.
- \$250,000 up to \$1 million per contract or, upon agreement of the parties, up to \$2 million per contract to be arbitrated by the board. An award issued by the board pursuant to this subsection is final if a request for a trial de novo is not filed within the time provided by Rule 1.830, Florida Rules of Civil

  Procedure. At the trial de novo, the court may not admit evidence that there has been an arbitration proceeding, the nature or amount of the award, or any other matter concerning the conduct of the arbitration proceeding, except that testimony given at an arbitration hearing may be used for any purpose otherwise permitted by the Florida Evidence Code. If a request

for trial de novo is not filed within the time provided, the award issued by the board is final and enforceable by a court of <a href="Law."><u>law.</u></a>

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- (5) An arbitration request may not be made to the board before final acceptance but must be made to the board within 820 days after final acceptance.
- The board shall schedule a hearing within 45 days after an arbitration request and, if possible, shall conduct the hearing within 90 days after the request. The board may administer oaths and conduct the proceedings as provided by the rules of the court. The hearing shall be conducted informally. Presentation of testimony and evidence shall be kept to a minimum, and matters shall be presented to the arbitrators primarily through the statements and arguments of counsel. The board shall address the scope of discovery, presentation of testimony, and evidence at a preliminary hearing by considering the size, subject matter, and complexity of the dispute. Any party to the arbitration may petition the board, for good cause shown, to issue subpoenas for the attendance of witnesses and the production of books, records, documents, and other evidence at the arbitration and may petition the board for orders compelling such attendance and production at the arbitration. Subpoenas shall be served and are enforceable in the manner provided by law.
  - (7) The board must issue an award within 45 days after the

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conclusion of the arbitration hearing. If all three members of the board do not agree, the award agreed to by the majority shall constitute the award of the board.

- (8) The board shall be composed of three members. The first member shall be appointed by the Secretary of
  Transportation, and the second member shall be elected by those construction or maintenance companies that are under contract with the department. The third member shall be chosen by agreement of the first and second members. If the first or second member has a conflict of interest regarding affiliation with one of the parties to an arbitration hearing, the appointing entity shall appoint an alternate member for that hearing. If the third member has such a conflict of interest, the first and second members shall select an alternate member.

  Each member shall serve a 4-year term. The board shall elect a chair for each term, who shall be the administrator of the board and custodian of its records.
- (9) The presence of all board members is required to conduct a meeting in person or via virtual videoconferencing.
- (10) The members of the board shall receive compensation for the performance of their duties from deposits made by the parties based on an estimate of compensation by the board. All deposits will be held in escrow by the chair in advance of the hearing. Each member eligible for compensation shall be compensated at \$200 per hour, up to a maximum of \$1,500 per day.

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376	A member shall be reimbursed for the actual cost of his or her
377	travel expenses. The board may allocate funds annually for
378	clerical and other administrative services.
379	(11) To cover the cost of administration and initial
380	compensation of the board, the party requesting arbitration
381	shall pay a filing fee to the board, according to a schedule
382	established by the board, of:
383	(a) Up to \$500 for a claim that is \$25,000 or less.
384	(b) Up to \$1,000 for a claim that is more than \$25,000 but
385	is \$50,000 or less.
386	(c) Up to $$1,500$ for a claim that is more than $$50,000$ but
387	is \$100,000 or less.
388	(d) Up to \$2,000 for a claim that is more than \$100,000
389	but is \$200,000 or less.
390	(e) Up to $$3,000$ for a claim that is more than $$200,000$
391	but is \$300,000 or less.
392	(f) Up to $$4,000$ for a claim that is more than $$300,000$
393	but is \$400,000 or less.
394	(g) Up to $$5,000$ for a claim that is more than $$400,000$ .
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396	The board may apportion the filing fees and the cost of
397	recording and preparing a transcript of the hearing among the
398	parties in its award.
399	Section 8. Subsections (3) through (19) of section
100	378.403, Florida Statutes, are renumbered as subsections (4)

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CODING: Words  $\frac{\text{stricken}}{\text{stricken}}$  are deletions; words  $\frac{\text{underlined}}{\text{ore}}$  are additions.

through (20), respectively, and a new subsection (3) is added to that section to read:

378.403 Definitions.—As used in this part, the term:

- (3) "Borrow pit" means an area of land upon which excavation of surface resources has been conducted, is being conducted, or is planned to be conducted, as the term is commonly used in the trade, and is not considered a mine. Such resources are limited to soil, organic soil, sand, or clay that can be removed with construction excavating equipment and loaded on a haul truck with no additional processing.
- Section 9. Section 378.801, Florida Statutes, is amended to read:
- 378.801 Other resources; notice of intent to <u>extract</u> mine required.—
- (1) An No operator may not begin the operation of a borrow pit, or the process of extracting clay, peat, gravel, sand, or any other solid substance of commercial value found in natural deposits or in the earth, except fuller's earth clay, heavy minerals, limestone, or phosphate, which are regulated elsewhere in this chapter, at a new location mine without notifying the secretary of the intention to extract mine.
- (2) The operator's notice of intent to extract mine shall consist of the operator's estimated life of the extraction location mine and the operator's signed acknowledgment of the performance standards provided by s. 378.803.

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426 Section 10. Section 378.802, Florida Statutes, is amended 427 to read: 428 378.802 Existing extraction locations mines.—After January 1, 1989, all operators of existing locations mines for the 429 extraction of resources as described in s. 378.801 shall meet 430 the performance standards provided by s. 378.803 for any new 431 surface area disturbed at such locations mines. 432 433 Section 11. This act shall take effect July 1, 2021.

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