

## Committee Substitute for Senate Bill No. 1134

An act relating to transportation; amending s. 215.615, F.S.; revising the Department of Transportation's requirement to share certain costs of fixed-guideway system projects; revising criteria for an interlocal agreement to establish bond financing for fixed-guideway system projects; revising provisions for sources of funds for the payment of bonds; amending s. 334.351, F.S.; requiring nonprofit youth organizations that contract with the Department of Transportation for the purpose of operating youth work experience programs to certify that the program participants are residents of the state and possess valid identification; specifying criteria for the department to consider in awarding contracts to such organizations; requiring that the nonprofit youth organizations submit certain reports and audits to the department and demonstrate participation in a peer assessment or review process; amending s. 337.11, F.S.; providing that certain construction projects be advertised for bids in local newspapers; amending s. 337.14, F.S.; authorizing the department to waive specified prequalification requirements for certain transportation projects under certain conditions; amending s. 337.18, F.S.; revising surety bond requirements for construction or maintenance contracts; providing for incremental annual surety bonds for multiyear maintenance contracts under certain conditions; revising the threshold for transportation projects eligible for a waiver of surety bond requirements; authorizing the department to provide for phased surety bond coverage or an alternate means of security for a portion of the contract amount in lieu of the surety bond; amending s. 338.2275, F.S.; raising the limit on outstanding bonds to fund turnpike projects; amending s. 479.07, F.S.; establishing a pilot program in specified counties authorizing a reduction in the distance between permitted signs on the same side of an interstate highway; providing requirements for the local government and the sign owner with respect to participating in the pilot program; requiring that the department maintain statistics concerning the program; requiring the Department of Highway Safety and Motor Vehicles to implement by a certain date a system whereby department-authorized issuers of temporary license plates may issue print-on-demand electronic temporary license plates; specifying requirements for the material used for the temporary plates; authorizing the department to adopt rules and provide exemptions as required; providing an effective date.

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

Section 1. Subsection (1) of section 215.615, Florida Statutes, is amended to read:

215.615 Fixed-guideway transportation systems funding.—

(1) The issuance of revenue bonds by the Division of Bond Finance, on behalf of the Department of Transportation, pursuant to s. 11, Art. VII of the State Constitution, is authorized, pursuant to the State Bond Act, to finance or refinance fixed capital expenditures for fixed-guideway transportation systems, as defined in s. 341.031, including facilities appurtenant thereto, costs of issuance, and other amounts relating to such financing or refinancing. ~~Such revenue bonds shall be matched on a 50-50 basis with funds from sources other than revenues of the Department of Transportation, in a manner acceptable to the Department of Transportation.~~ The Division of Bond Finance is authorized to consider innovative financing techniques ~~that technologies~~ which may include, but are not limited to, innovative bidding and structures of potential financings ~~findings~~ that may result in negotiated transactions.

(a) The department and any participating commuter rail authority or regional transportation authority established under chapter 343, local governments, or local governments collectively by interlocal agreement having jurisdiction of a fixed-guideway transportation system may enter into an interlocal agreement to promote the efficient and cost-effective financing or refinancing of fixed-guideway transportation system projects by revenue bonds issued pursuant to this subsection. The terms of such interlocal agreements shall include provisions for the Department of Transportation to request the issuance of the bonds on behalf of the parties; shall provide that the department's share may be up to 50 percent of the eligible project cost, which may include a share of the annual ~~each party to the agreement is contractually liable for an equal share of funding an amount equal to the~~ debt service requirements of such bonds; and shall include any other terms, provisions, or covenants necessary to the making of and full performance under such interlocal agreement. Repayments made to the department under any interlocal agreement are not pledged to the repayment of bonds issued hereunder, and failure of the local governmental authority to make such payment shall not affect the obligation of the department to pay debt service on the bonds.

(b) Revenue bonds issued pursuant to this subsection shall not constitute a general obligation of, or a pledge of the full faith and credit of, the State of Florida. Bonds issued pursuant to this section shall be payable from funds available pursuant to s. 206.46(3), or other funds available to the project, subject to annual appropriation. The amount of revenues available for debt service shall never exceed a maximum of 2 percent of all state revenues deposited into the State Transportation Trust Fund.

(c) The projects to be financed or refinanced with the proceeds of the revenue bonds issued hereunder are designated as state fixed capital outlay projects for purposes of s. 11(d), Art. VII of the State Constitution, and the specific projects to be financed or refinanced shall be determined by the Department of Transportation in accordance with state law and appropriations from the State Transportation Trust Fund. Each project to be financed with the proceeds of the bonds issued pursuant to this subsection must first be approved by the Legislature by an act of general law.

(d) Any complaint for validation of bonds issued pursuant to this section shall be filed in the circuit court of the county where the seat of state

government is situated, the notice required to be published by s. 75.06 shall be published only in the county where the complaint is filed, and the complaint and order of the circuit court shall be served only on the state attorney of the circuit in which the action is pending.

(e) The state does hereby covenant with holders of such revenue bonds or other instruments of indebtedness issued hereunder, that it will not repeal or impair or amend these provisions in any manner that will materially and adversely affect the rights of such holders as long as bonds authorized by this subsection are outstanding.

(f) This subsection supersedes any inconsistent provisions in existing law.

Notwithstanding this subsection, the lien of revenue bonds issued pursuant to this subsection on moneys deposited into the State Transportation Trust Fund shall be subordinate to the lien on such moneys of bonds issued under ss. 215.605, 320.20, and 215.616, and any pledge of such moneys to pay operating and maintenance expenses under s. 206.46(5) and chapter 348, as may be amended.

Section 2. Section 334.351, Florida Statutes, is amended to read:

334.351 Youth work experience program; findings and intent; authority to contract; limitation.—

(1) The Legislature finds and declares that young men and women of the state should be given an opportunity to obtain public service work and training experience that protects and conserves the valuable resources of the state and promotes participation in other community enhancement projects. Notwithstanding the requirements of chapters 287 and 337, the Department of Transportation is authorized to contract with public agencies and non-profit organizations for the performance of work related to the construction and maintenance of transportation-related facilities by youths enrolled in youth work experience programs. The total amount of contracts entered into by the department under this section in any fiscal year may not exceed the amount specifically appropriated by the Legislature for this program.

(2) Each nonprofit youth organization that provides services under a contract with the department must certify that each young person enrolled in its work experience program is a resident of this state and possesses a valid Florida driver's license or identification card.

(3) When selecting a nonprofit youth organization to perform work on transportation-related facilities and before awarding a contract under this section, the department must consider the following criteria:

(a) The number of participants receiving life-management skills training;

(b) The number of participants receiving high school diplomas or GEDs;

(c) The number of participants receiving scholarships;

- (d) The number of participants receiving bonuses;
  - (e) The number of participants who have secured full-time jobs; and
  - (f) The other programs or services that support the development of disadvantaged youths.
- (4) Each nonprofit youth organization under contract with the department must:
- (a) Submit an annual report to the department by January 1 of each year. The report must include, but need not be limited to, the applicable performance of the organization when measured by the criteria in subsection (3) for the organization's most recently completed fiscal year.
  - (b) Submit an independent audit of the organization's financial records to the department each year. The organization's contract with the department must allow the department the right to inspect the organization's financial and program records.
  - (c) Demonstrate participation in a peer assessment or review process, such as the Excellence in Corps Operations of the National Association of Service and Conservation Corps.

Section 3. Paragraph (a) of subsection (3) of section 337.11, Florida Statutes, is amended to read:

337.11 Contracting authority of department; bids; emergency repairs, supplemental agreements, and change orders; combined design and construction contracts; progress payments; records; requirements of vehicle registration.—

(3)(a) On all construction contracts of \$250,000 or less, as well as any construction contract of less than \$500,000 for which the department has waived prequalification pursuant to s. 337.14, the department shall advertise for bids in a newspaper having general circulation in the county where the proposed work is located. Publication shall be at least once a week for no less than 2 consecutive weeks, and the first publication shall be no less than 14 days prior to the date on which bids are to be received.

Section 4. Subsection (1) of section 337.14, Florida Statutes, is amended to read:

337.14 Application for qualification; certificate of qualification; restrictions; request for hearing.—

(1) Any person 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 department as qualified pursuant to this section and rules of the department. The rules of the department shall address the qualification of persons to bid on construction contracts in excess of \$250,000 and shall include requirements with respect to the equipment, past record, experience, financial resources, and organizational personnel of the applicant necessary to perform the specific class of work for which the person

seeks certification. The department is authorized to limit the dollar amount of any contract upon which a person is qualified to bid or the aggregate total dollar volume of contracts such person is allowed to have under contract at any one time. Each applicant 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 shall be accompanied by the latest annual financial statement of the applicant completed within the last 12 months. If the annual financial statement shows the financial condition of the applicant more than 4 months prior to the date on which the application is received by the department, then an interim financial statement must also be submitted. The interim financial statement must cover the period from the end date of the annual statement and must show the financial condition of the applicant no more than 4 months prior to the date on which the application is received by the department. Each required annual or interim financial statement must be audited and accompanied by the opinion of a certified public accountant or a public accountant approved by the department. The information required by this subsection is confidential and exempt from the provisions of 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 noncompliance with the subsection will not endanger public health, safety, or property.

Section 5. Paragraph (a) of subsection (1) of section 337.18, Florida Statutes, is amended to read:

337.18 Surety bonds for construction or maintenance contracts; requirement with respect to contract award; bond requirements; defaults; damage assessments.—

(1)(a) A surety bond shall be required of the successful bidder in an amount equal to the awarded contract price. However, the department may choose, in its discretion and applicable only to multiyear maintenance contracts, to allow for incremental annual contract bonds that cumulatively total the full, awarded multiyear contract price. For a project for which the contract price is ~~\$250,000~~ ~~\$150,000~~ or less, the department may waive the requirement for all or a portion of a surety bond if it determines the project is of a noncritical nature and nonperformance will not endanger public health, safety, or property. If the Secretary of Transportation or the secretary's designee determines that it is in the best interests of the department to do so and that a reduced bonding requirement for a project will not endanger public health, safety, or property, the department may waive the requirement of a surety bond in an amount equal to the awarded contract price for a project having a contract price of \$250 million or more, and, in its place, may set a surety bond amount that is a portion of the total contract price and provide an alternate means of security for the balance of the contract amount which is not covered by the surety bond or provide for incremental surety bonding and provide an alternate means of security for the balance of the contract amount which is not covered by the surety bond.

Such alternate means of security may include letters of credit, United States bonds and notes, parent company guarantees, and cash collateral. The department may require alternate means of security if a surety bond is waived. The surety on such bond shall be a surety company authorized to do business in the state. All bonds shall be payable to the department and conditioned for the prompt, faithful, and efficient performance of the contract according to plans and specifications and within the time period specified, and for the prompt payment of all persons defined in s. 713.01 furnishing labor, material, equipment, and supplies for work provided in the contract; however, whenever an improvement, demolition, or removal contract price is \$25,000 or less, the security may, in the discretion of the bidder, be in the form of a cashier's check, bank money order of any state or national bank, certified check, or postal money order. The department shall adopt rules to implement this subsection. Such rules shall include provisions under which the department shall refuse to accept bonds on contracts when a surety wrongfully fails or refuses to settle or provide a defense for claims or actions arising under a contract for which the surety previously furnished a bond.

Section 6. Subsection (1) of section 338.2275, Florida Statutes, is amended to read:

338.2275 Approved turnpike projects.—

(1) Legislative approval of the department's tentative work program that contains the turnpike project constitutes approval to issue bonds as required by s. 11(f), Art. VII of the State Constitution. No more than \$10 Turnpike projects approved to be included in future tentative work programs include, but are not limited to, projects contained in the 2003-2004 tentative work program. A maximum of \$4.5 billion of bonds may be outstanding issued to fund approved turnpike projects.

Section 7. Subsection (9) of section 479.07, Florida Statutes, is amended to read:

479.07 Sign permits.—

(9)(a) A permit shall not be granted for any sign for which a permit had not been granted by the effective date of this act unless such sign is located at least:

1. One thousand five hundred feet from any other permitted sign on the same side of the highway, if on an interstate highway.

2. One thousand feet from any other permitted sign on the same side of the highway, if on a federal-aid primary highway.

The minimum spacing provided in this paragraph does not preclude the permitting of V-type, back-to-back, side-to-side, stacked, or double-faced signs at the permitted sign site.

(b) A permit shall not be granted for a sign pursuant to this chapter to locate such sign on any portion of the interstate or federal-aid primary highway system, which sign:

1. Exceeds 50 feet in sign structure height above the crown of the main-traveled way, if outside an incorporated area;
2. Exceeds 65 feet in sign structure height above the crown of the main-traveled way, if inside an incorporated area; or
3. Exceeds 950 square feet of sign facing including all embellishments.

(c) Notwithstanding subparagraph (a)1., there is established a pilot program in Orange and Osceola Counties under which the distance between permitted signs on the same side of an interstate highway may be reduced to 1,000 feet if all other requirements of this chapter are met and if:

1. The local government has adopted a plan, program, resolution, ordinance, or other policy encouraging the voluntary removal of signs in a downtown, historic, redevelopment, infill, or other designated area which also provides for a new or replacement sign to be erected on an interstate highway within that jurisdiction if a sign in the designated area is removed;
2. The sign owner and the local government mutually agree to the terms of the removal and replacement; and
3. The local government notifies the department of its intention to allow such removal and replacement as agreed upon pursuant to subparagraph 2.

The department shall maintain statistics tracking the use of the provisions of this pilot program based on the notifications received by the department from local governments under this paragraph.

(d)(e) Nothing in this subsection shall be construed so as to cause a sign which was conforming on October 1, 1984, to become nonconforming.

Section 8. The Department of Highway Safety and Motor Vehicles shall implement a secure print-on-demand electronic temporary license plate registration, record retention, and issue system for use by every department-authorized issuer of temporary license plates by the end of the 2007-2008 fiscal year. Secure print-on-demand for this purpose means validating state registration data using higher levels of commercially accepted data encryption methods from the point of department connectivity to the license plate printer. The temporary license plate media used for this purpose shall be a nonpermeable material that maintains its structural integrity, including graphic and data adhesion, in all weather conditions after being placed on a vehicle. For public safety in general and for the safety of law enforcement officers, placement of temporary license plates on the outside of the vehicle and in the provided license plate mount when available is encouraged. The department may adopt rules as necessary to implement this program in the 2007-2008 fiscal year. The department may provide such exemptions as may be feasibly required.

Section 9. This act shall take effect July 1, 2007.

Approved by the Governor May 24, 2007.

Filed in Office Secretary of State May 24, 2007.